145 U.S. 649
Laches defts brief

Apparently not reported in U.S. R. 15 to 154

TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1890.

No. ~~389~~. 66

THE NEW ORLEANS WATER WORKS COMPANY, APPELLANT,

vs.

THE SOUTHERN BREWING COMPANY.

APPEAL FROM THE CIRCUIT COURT OF THE UNITED STATES FOR THE EASTERN DISTRICT OF LOUISIANA.

FILED AUGUST 3, 1888.

	Original.	Print.
Note of evidence	101	53
Exhibit X—Contract (not set out here—see side page 37)	102	54
Z—Act No. 56 (not set out here—see side page 34)	102	54
Bill of complaint in N. O. Water Works Co. *vs.* St. Tammany Water Works Co. *et al.*, No. 10031	102	54
Decree in N. O. Water Works Co. *vs.* St. Tammany Water Works Co. *et al.*, No. 10031	127	66
Bill of complaint in N. O. Water Works Co. *vs.* R. E. Rivers, No. 10560	130	68
Decree in N. O. Water Works Co. *vs.* R. E. Rivers, No. 10560	158	81
Charter of the N. O. Water Works Co.	161	83
Act relative to charter of N. O. Water Works Co.	170	89
Act to incorporate the Commercial Bank of New Orleans	172	90
Hearing and submission of application for injunction	182	97
Order granting injunction *pendente lite*	183	97
Answer	184	98
Petition to modify injunction *pendente lite*	207	109
Order to show cause and marshal's return	208	110
Replication to answer	209	110
Affidavit of J. P. Cotaya	210	111
L. H. Gardner	212	112
Hearing and submission of rule to modify injunction	214	113
Motion and order appointing examiner	215	113
Motion and order extending time to take testimony	216	114
Motion and order to fix cause for hearing	216	114
Order to file testimony *nunc pro tunc*, &c	217	114
Hearing and continuance	218	115
Order as to evidence offered	219	115
Certificate and return of examiner	220	116
Evidence for complainant	226	118
Documents offered	227	118
Testimony of James D. Houston	228	119
Exhibit—Statement of amount of city indebtedness retired or extinguished by exchange for water-works stock	251	130
Testimony of L. H. Gardner	251	130
John Ponder	278	144
Act to incorporate Commercial Bank of New Orleans (not set out here—see side page 172)	292	152
Charter of N. O. Water Works Co. (not set out here—see side page 161)	292	152
Act relative to charter of N. O. Water Works Co. (not set out here—see side page 170)	293	152
Act No. 56 (not set out here—see side page 34)	293	152
Document B^5—Transfer of property by the Commercial Bank of New Orleans to the city of New Orleans	294	152
Document B^6—Transfer from city of New Orleans to N. O. Water Works Co.	310	160
Soards' official map	322	166
Ordinance No. 2785, October 7, 1874	323	166
832, May 10, 1887	324	166
6714, November 10, 1880	324	167
1952, September 27, 1886	326	168
977, October 30, 1884	327	168

	Original.	Print.
Ordinance No. 342, June 25, 1883	328	169
298, May 15, 1883	330	170
7569, January 18, 1882	330	170
68, January 18, 1883	331	171
148, March 1, 1883	332	171
187, March 15, 1883	333	172
7952, July 18, 1882	335	172
419, September 1, 1883	335	173
679, April 24, 1884	337	174
628, March 22, 1884	338	175
549, January 19, 1884	340	175
8148, November 16, 1882	341	176
809, August 8, 1884	342	177
28, December 21, 1882	343	177
Evidence for defendant	344	178
Documents offered	344	178
Testimony of J. P. Cotaya	345	178
Documents offered	386	199
Testimony of Peter Blaise	387	200
Exhibit A—(Not set out here—see side page 48)	420	217
B—(Not set out here—see side page 37)	420	217
C—Deed between the city of New Orleans and the Southern Brewing Co., May 7, 1884	421	218
Testimony of James D. Houston (recalled)	425	219
Wm. H. Moon	433	223
Thomas H. Ryan	436	225
Wm. Golding	439	227
Joseph Garidel	445	230
Dr. Joseph Jones	450	233
Exhibit H—Extracts from the minutes of the N. O. Water Works Co.	456	235
J—Notice of New Orleans Water Works Co. and proof of publication of same	458	236
Charter of the New Orleans Water Works Co.	458½	237
Act relative to charter of the New Orleans Water Works Co.	467	243
Act to incorporate the Commercial Bank of New Orleans	469	244
Hearing and submission	478	251
Final decree	478	251
Motion and order for appeal	479	251
Bond on appeal	480	252
Order approving bond, &c.	481	252
Certificate to transcript of the record	483	253
Opinion of Judge Pardee	484	253
Opinion of Judge Billings	491	256
Citation	492	257
Proof of service of citation	493	258

a UNITED STATES OF AMERICA:

Circuit Court of the United States, Eastern District of Louisiana.

NEW ORLEANS WATER WORKS COMPANY, Appellant,
vs.
THE SOUTHERN BREWING COMPANY, Appellee. } No. 11351.

J. R. Beckwith, Esquire, for appellant.
Alfred Goldthwaite, Esquire, for appellee.

Transcript of Appeal.

Appeal returnable to the Supreme Court of the United States of America, at the city of Washington, D. C., on the second Monday of October, A. D. 1888.

1 THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

Bill. Filed May 15, 1886.

UNITED STATES OF AMERICA,
Eastern District of Louisiana, } *ss:*

To the honorable the judges of the circuit court of the United States in and for the fifth judicial district, eastern district of Louisiana:

The New Orleans Water Works Company a corporation duly created, under and by virtue of the laws of the State of Louisiana, domiciled in the Parish of Orleans, in said State, brings this its bill of complaint against The Southern Brewing Company, a corporation created under and by virtue of the laws of Louisiana domiciled and doing business within the parish of Orleans in the eastern district of Louisiana, aforesaid.

1. And thereupon your orator shows unto your honors, that the legislature of the State of Louisiana by an act thereof approved on the first day of April A. D. 1833, created and established a corporation called the Commercial Bank of New Orleans; that the chief object and purpose of said organized corporation was to convey water
2 and water supply unto the city of New Orleans and the faubourgs, and into the homes of the inhabitants thereof, and to accomplish and effect, a public water supply for the inhabitants of said city; that in, and by said act of the Legislature aforesaid, it was enacted, that the said Commercial Bank of New Orleans should have a capital stock of three millions of dollars, to be subscribed for as provided in the said act, and that the said corporation should erect and establish a system of public water works in the city of New Orleans adequate to a sufficient water supply for said city, and the inhabitants thereof, as provided in said act. It is also enacted therein, that said Commercial Bank of New Orleans, should have and possess the exclusive privilege of furnishing

for the liquidation of the bonded and floating debt of the city of New Orleans, etc.," to which said act as published by authority, in the public statutes of the said State, your orator at all times refers and makes the same a part of this bill of complaint to the same extent and effect as if written herein in *extenso*.

6. And your orator further shows unto your honors, that it was provided in said act, that a corporation be created to be known as the New Orleans Water Works Company, and provided amongst other things that the holders of the said water works bonds might convert the same into the capital stock of the said company, and that when so converted the said bonds should be surrendered and cancelled; that there should be issued to the city of New Orleans stock amounting to six hundred and six thousand and six hundred
7 dollars ($606,600) full paid shares of stock in said company of one hundred dollars each, besides one additional share of stock for every one hundred dollars of the said water works bonds which she had redeemed and possessed herself of, prior to, the time of the organization of said company, whether taken up either by payments, funding into premium bonds, or other securities, or otherwise; and that for the purpose of carrying out the provisions of said act all the certificates of all the stock in said company, should be issued to the said city of New Orleans, one set of certificates equal in value and amount, to the then outstanding par value amount of the said water works bonds then held by the said city, to be exchanged for the said bonds with the holders thereof; the other set of certificates being held by the said city of New Orleans in her own right, and in trust for the holders of all other bonds, and floating indebtedness of every kind and nature, who might desire to avail themselves thereof in the manner hereinafter set forth. And it was also further provided in said act, that said water works company should be organized by the mayor of the city of New Orleans, giving thirty days' notice that he would receive the subscription of bondholders, who might agree to exchange the said bonds for the stock in said water works company, and that the city should subscribe for said stock to the amount of six hundred and six thousand and six hundred dollars ($606,600) and such other amount as should be equal in par value to any of the said water works bonds, which should have been extinguished by the said city of
8 New Orleans, by exchange, payment or otherwise and that as soon as the sum of five hundred thousand dollars in addition to said subscription, to be made by the city should have been made, and the amount of bonds represented thereby, and exchanged therefor should have been surrendered and cancelled by the administrator of finance, the said subscribers should assemble on a day to be named by the mayor of the city of New Orleans and elect a board of directors to be composed of seven persons of whom the mayor was designated as one, and that of the remaining directors four should be designated by the mayor, by appointment and three to be selected by the subscribers, other than the said city of New Orleans to be selected from amongst the subscribers, and that the directors

thus designated and elected, should constitute the first board of directors of the said company.

7. And your orator further shows unto your honors, that the city of New Orleans accepted the conditions and provisions of the said act of Legislature and subscribed for the full amount of said shares of stock to be subscribed for by the said city and that the holders of the said water works bonds subscribed also to the said capital stock of the said company in a sum exceeding five hundred thousand dollars, and as required, surrendered their bonds, being the water works bonds aforesaid to the administrator of finance on or about the tenth day of March A. D. 1878, which said bonds so subscribed and surrendered as aforesaid were by said administrator of finance of the city of New Orleans, duly cancelled and extinguished,
9 leaving to the subscribers who had surrendered the same, only their stock subscription and the stock represented thereby in lieu and place of the bonds so subscribed and surrendered by them. That immediately thereafter, during the said month of March, 1878, the said company was duly organized, and upon due and proper notice and proceedings had, a board of directors, as provided for in said act of Legislature duly appointed and elected as provided for in said act; that when said company was organized as aforesaid, it at once agreed to, and accepted all of the conditions of the said act of Legislature as originally adopted by the said Legislature, and as amended by an act entitled "An act relative to the charter of the New Orleans Water Works Company, and amending act No. 33 of the extra session of 1877 approved March 31, 1877" which said last mentioned act was approved on the 26th day of February A. D. 1878, whereby your orator became and was vested with corporate character and existence, and vested with all the rights and privileges granted under said act No. 33 of the extra session of 1877, and the said act amendatory thereof, and the said city of New Orleans having also as aforesaid accepted the terms and conditions of the said act, did, as provided for in the said act, immediately after the appointment and election of the said board of directors as aforesaid, in, and by notarial act in due form, transfer set over and grant unto your orator all of its rights, title and interest in and to said water works, as it had acquired the same *form* the said Commercial Bank of New Orleans, and all subsequent additions thereto,
10 together with its exclusive right and privilege to provide and furnish the public water supply of the city of New Orleans, acquired from said Commercial Bank, which said notarial act or a copy thereof duly attested your orator has now here in court ready to submit to the court as the court shall direct.

8. And your orator further shows unto your honors, that in and by said act of conveyance, assignment and transfer of said water works, and the rights thereto pertaining so made and conveyed to your orator as aforesaid, by the city of New Orleans the said city of New Orleans as grantor therein in said transfer, conveyed the same to your orator with full and explicit warranty in all particulars.

9. And your orator further shows unto your honors, that by reason of the premises your orator became and was vested with full, abso-

lute and complete title to all the said water works, and to all privileges acquired by the said city of New Orleans, from the said Commercial Bank of New Orleans, as aforesaid, and all the rights, privileges and property of the said city of New Orleans in, and to said water works, as the said city possessed and held the same, prior to said last-mentioned alienation and transfer, and has had the exclusive right of supplying said city of New Orleans and its inhabitants from the Mississippi river, or any other stream or river, by means of pipes, or conduits, and the right of erecting and constructing, all necessary works, engines and machinery for that purpose for the full period of fifty years, from and after the said thirty-first day of March, A. D. 1877 the date of said transfer of said water works to your orator.

11 10. And your orator further shows unto your honors, that among the other rights granted and conferred upon your orator by said act of legislature, was the right and power to increase the capital stock of said corporation, and particularly to borrow money for the purpose of improving and enlarging said works, and increasing the supply of water to be furnished the said city of New Orleans; that the entire capital stock of said corporation, having been made up and purchased with the obligations of the city of New Orleans so delivered to said city of New Orleans in payment of said subscription; there was left to your orator no fund, or capital stock in its treasury wherewith to pay and discharge the expense necessarily involved in extending repairing and operating said system of public water supply; that in order to accomplish this end, your orator was authorized to issue bonds of the company, to an amount not exceeding two millions of dollars, in such sums, and at such times, and bearing such rate of interest as the Board of Directors of your orator might determine, or deem most expedient to accomplish said end; and your orator was authorized to secure the payment of the said bonds, principal and interest by a mortgage bearing on all the property and franchises of said New Orleans Water Works Company including its franchise to be a corporation and its right to the exclusive water supply of said city; and all of the property possessed and held, owned or acquired by your orator, subject to the condition, that no such bond or mortgage shall be given or issued without the consent of the council of the city of New Orleans

12 and that the said bonds, should not be sold or disposed of except upon such terms as shall be approved of said council or legislative body of the city of New Orleans.

11. And your orator further shows unto your honors, that in order to render said works adequate to sufficiently supply the said inhabitants of said city with water, and to repair the same, and to extend the works and renew old and decayed pipe and replace the same; and to extend the facilities of your orator for supplying water to said city; and in order to fully carry out the obligations, and conditions bearing upon it in the said act of incorporation, under which your orator has its existence, it became and was immediately necessary to expend large sums of money which your orator was compelled necessarily to raise, or procure by loans, and that your orator by,

and with the consent of the city of New Orleans has made and issued five hundred thousand dollars of bonds of said company, and has disposed of over three hundred thousand of that amount and has realized the money therefrom; that all this was done by and with the consent of the city of New Orleans and the council and legislative department thereof, and that your orator has expended the said money or a large portion thereof in increasing, improving and enlarging the said Water Works, in order to render the same adequate to supply the demand for water, and to carry out and observe the provisions and requirements of the said act of legislature incorporating your orator; that to secure the payment of the said bonds your orator has also, by and with the consent of the
13 said city of New Orleans, as provided in said act, made and executed in due form, a mortgage bearing upon and including all of the property of your orator and the franchise as a corporation, and that the said mortgage has been duly recorded, and is now in full force and effect.

12. And your orator further shows unto your honors, that among other rights conferred upon your orator is the right to fix charges for water, within the limits of the city of New Orleans limited only by the provision, that the net profits of the company from that source shall not exceed ten per cent. per annum upon the capital stock thereof.

13. And your orator further shows unto your honors that your orator the said New Orleans Water Works Company has in all things acted in good faith; that it accepted the terms and conditions of said act of legislature only, after having obtained the full consent of the city of New Orleans thereto, and by and with the full consent of the city of New Orleans as hereinbefore set forth; and that had your orator not supposed, that your orator had thereby acquired and obtained the full and exclusive right and privilege of supplying the city of New Orleans with water by a system of public water works, to the exclusion of all other means and sources of supply, through pipes or conduits brought into the said city your orator would never have entered into said engagements nor would the subscribers thereto have accepted the terms and conditions of said act, and surrendered and given up to the city of New Orleans for cancellation, the said water works bonds and obligations of the said city of New Orleans so,
14 by said subscribers and shareholders given to the said city of New Orleans in exchange for their said shares of said water works stock.

14. And your orator further shows unto your honors, that the only exception contained in said act incorporating your orator, wherein and whereby your orator was not entitled and authorized to furnish the entire public water supply brought into the said city of New Orleans in pipes and conduits, was the reservation made in favor of those persons in the said city of New Orleans, who owned and occupied property contiguous to the Mississippi river, which said persons are by the reservation contained in the eighteenth section of said act of 1877 affected thereby, the said section providing, that nothing in said act shall be construed so as to prevent the said council from

granting to any person or persons contiguous to the river, the privilege of laying pipes to the river exclusively for his own or their own use, and your orator saith, that in and by said reservation it was only intended to leave in the power of the council of the city of New Orleans so much power, as would permit them to grant the right of laying pipes to the river, as set out in said section, only to such persons as owned and occupied property immediately on the bank of the river with riparian rights reaching to the river, and was not intended, nor can the same be lawfully construed as giving or reserving the power of the council of the city of New Orleans to grant the right to lay down such pipes, to any person or persons occupying or owning property or premises not so situated.

15 15. And your orator further shows unto your honors, that it would have been unable to place or negotiate the said bonds, or borrow the said money nor would the shareholders in said company have ever given up or surrendered the obligations of the city of New Orleans, by their exchange for said property in said water works, and shares in said company if they had not believed and been advised, that they acquired the exclusive right, so granted your orator and that if such had been the popular belief in the money market, your orator, the subscribers to the capital stock of said company, would never have been able to comply with, or carry out the provisions of said act of incorporation; and that if the shareholders and subscribers to the capital stock of the complainant corporation had for one moment believed, that the city of New Orleans could lawfully claim or in good conscience exercise under the provision of said section eighteen of the said act of incorporation, any right or power to grant to any persons the right or privilege of laying pipes to the river and obtaining their water supply therefrom except as provided on the face of said section eighteen, where the property actually touched, or ran down to the waters of the Mississippi river your orator would never have exchanged the obligations of said city for said water works property or stock, and would in all things have been unable to have borrowed the money, or secured the means to extend said water works and enlarge the same, and comply with the provisions of said

16 act, under which your orator is incorporated, and acquired the said works. And your orator files herewith a copy of the said act of legislature incorporating said complainant, with all the amendments thereto, and makes the same a part of this bill of complaint.

16. And your orator further shows unto your honors that the said city of New Orleans having received, for the purchase price of said water works and of the rights acquired by said city from the said Commercial Bank of New Orleans, the full value thereof, in its own obligations otherwise payable in cash at the maturity thereof and having received also the said shares of the capital stock of the complainant corporation without having paid any cash consideration therefor, and the said shares of stock so delivered to the said city of New Orleans being by law stamped with a special property value and character in the hands of the city of New Orleans, whereby the said city of New Orleans, was, and is entitled to, and has exchanged

the same at the par value of one hundred dollars per share, for other obligations constituting the bonded and floating debt of the city of New Orleans, to the full face value of said shares and being so situated, not only as the warrantor to your orator of the character, quality and extent of said property so conveyed, but also holding such relations to your orator that even after she shall have parted with the last share of the stock so delivered to the said city of New Orleans, and shall have parted with her entire interest in said corporation, as a shareholder, yet, by the terms of said act, your orator is compelled as a corporation, to concede to the said city of New Orleans
17 the said number of directors charged with the management of the affairs of your orator to be nominated appointed and designated by said city of New Orleans, and when so appointed and designated in a number sufficient to control the acts of the said board of directors, and to put itself in the position of assuming to control, and to actually control the property and operations of said company, without in fact possessing, holding or representing a single share of the capital stock thereof, was bound in law, equity and good conscience to observe full faith in all of its said obligations, and bound to abide by a strict and equitable construction thereof, and to in all things in conscience and care avoid the perpetration of any wrong or injustice, which should impair the property of your orator, or the shareholders therein, or throw or cast any cloud upon the property, rights and franchise so conveyed to your orator for a valuable consideration, in all things fully equal to the actual money value thereof and should warrant and defend your orator in the full and complete exercise of all said rights, privileges, and enjoyment of the property so conveyed to your orator as aforesaid.

17. And your orator further shows unto your honors, that the said city of New Orleans did, with reasonable good faith execute and carry out her said duties and obligations as aforesaid until the adoption of the constitution of 1879; that by virtue of the provisions of section ten of article one of the Constitution of the United States, and by reason of the premises and of the peculiar relation of the
18 said city of New Orleans to your orator, and the conditions and circumstances under which your orator acquired from the city of New Orleans, the said rights in said water works your orator was protected by the said Constitution of the United States from any impairment or breach of the said obligations of the State of Louisiana either as a State, or the said city of New Orleans as a municipal government charged with the control or management of the local affairs of the city of New Orleans, and has the right to demand in all respects and particulars, a full and complete observance of said contract and obligation, both by the State of Louisiana, and the said city of New Orleans, and is entitled to the aid of this honorable court in the protection thereof; and claims the right guaranteed to it in that respect and behalf by the Constitution and laws of the United States.

18. And your orator further shows unto your honors that immediately after the adoption and promulgation of the said constitution of the State of Louisiana, known as the constitution of 1879, the said

council of the city of New Orleans, in bad faith and with *interest* to injure and wrong your orator, and to destroy the value of the property so conveyed by the said city to your orator, and to disregard, ignore and render of no avail their said warranty of title and right to said water works and franchises to your orator, cast about for some excuse for bad faith; and a disregard of the said obligation of warranty; and immediately asserted and now asserts and pretends that certain provisions in the said constitution in the State of Louisiana adopted in 1879, although adopted long after all of the matters
19 hereinbefore set forth had become accomplished facts, and the rights of your orator in said property had vested, have the effect to absolutely destroy and cut off all the rights of your orator to furnish and provide a public water supply for the city of New Orleans, to the exclusion of all other persons, but also pretend and assert, that by reason of the provisions contained in said constitution, said city is absolved from all of its obligations so entered into, and is at liberty to levy war upon your orator, and undermine and destroy its property unrestrained by any rule of law, by any equity or good conscience, and now claims and pretends that the said city of New Orleans through its council, has the right, and can lawfully grant to any person occupying any premises in the city of New Orleans not contiguous to the Mississippi river, or its banks, the right to lay down and construct for themselves, pipes, conduits and mains running from the Mississippi river to any lot, block or establishment in any part of the city of New Orleans, and thereby take away from your orator, the right of your orator, to furnish said supply, and receive pay and remuneration therefor.

19. And your orator further shows unto your honors, that the said defendant is engaged in carrying on the manufacture of malt liquors, in a large brewery owned, or operated by the said defendant in the city of New Orleans on Villere street, between Toulouse and St. Louis streets, and in the manufacture of said malt liquors uses a large quantity of water, the precise quantity used, your orator is unable to state and asks discovery; that the said brewery is a very large establishment, and consumes a large amount of
20 water, and will, as your orator is informed and believes continue in operation, and in the use of water in the manufacture of malt liquors and other purposes, during the whole period of its chartered existence.

20. That in or about the month of October or November, 1884, the said defendant pretending to act under authority of an ordinance of the city of New Orleans, the adoption of which was solicited and procured by the said defendant, made and constructed a pipe from the Mississippi river commencing at the river near the line where Toulouse street if extended would touch the river, and carrying said pipe on, along, and through Toulouse street, to its said premises on Villere street and for and during the entire period that has elapsed since the construction or laying down of said pipe has by some pumping machinery or other device, led and drawn from the Mississippi river to its said premises and brewery, the water supply used in said brewery for the manufacture of malt liquors, and for

other purposes, in violation of the rights of your orator, and the terms and conditions of the charter and grant so made unto your orator as aforesaid, wherein and whereby your orator became, and was, and is vested with the exclusive right to furnish unto said defendant on and in its said premises the entire water supply used in and on said premises drawn from the Mississippi river through pipes, or conduits or by means of pumping machinery.

21. That said wrongful act was done by the said defendants without the assent or permission, and against the will and protest of your orator. That your orator is informed and believes that the said defendant pretends to have derived some authority, license, or permission from the corporate authorities of the city of New Orleans, to lead said pipe from the river to its said premises and supply itself with water, through said pipe. But your orator charges that the said city of New Orleans, and the authorities thereof, are, and were wholly without authority to grant any such license, or confer upon the said defendant any such privilege or warrant to lay and use said pipe or main from the Mississippi river to its said premises, as aforesaid.

22. And your orator further shows unto your honors that the said premises whereon said brewery is situated, is not contiguous to the waters of the Mississippi river, or the banks thereof, nor does the property upon which the same is erected extend to the Mississippi river; nor does the said defendant own or possess the property lying between its said premises on Villere street and the Mississippi river but on the contrary thereof, the same is situated at, or near the middle of the city and that six or seven blocks, or streets, at least intervene and lie between said brewery and the nearest point on the Mississippi river.

23. And your orator further shows unto your honors, that the said city of New Orleans, and the said defendant pretend, that the city has the lawful right to disregard its obligation and commit and effect said breach of good conscience, of its contract of warranty, and its obligation growing out of the premises for, and by reason of the provisions contained in the constitution of the State of Louisiana, as adopted in the year 1879 and particularly in the 258th article thereof, and claim and pretend that by reason of said provisions and enactments in said State constitution, the said city is absolutely absolved from all observance of the terms and conditions of its contract obligation, and all obligations, which in equity and good conscience are imposed upon and should be observed, by said city of New Orleans by reason of the premises, and that said defendant joins with the said city of New Orleans in asserting the said alleged right of the city of New Orleans, to disregard its said obligation, and the constitution and laws of the United States, and to practically confiscate in the hands of said shareholders of the said water works company, your orator their property therein acquired by them in an honest exchange of the existing debts and obligations of the city of New Orleans, which, but for the act of the said shareholders in exchanging said bonds and obligations for said shares in said water

works company the said city of New Orleans would have been compelled to pay with the interest thereon in money.

24. And your orator further shows unto your honors, that it is advised, informed and believes that the said complainant in law, and equity and good conscience ought to be protected from such wrong and fraudulent acts by the provisions of the Constitution of the United States; and the settled adjudications of the Supreme Court of the United States construing and applying said provisions of the Federal Constitution.

23 25. And your orator further shows unto your honors, that the said defendant from, and since the date of the laying down of the said pipe from the Mississippi river to its said premises extending along and through Toulouse street has been constantly engaged in supplying itself with water, pumped, or forced through said pipe, and has established a machine, or device for forcing or drawing water, through said pipe, and has in that manner obtained its supply of water, used in said brewery for all purposes.

26. And your orator further shows unto your honors, that your orator has on and along the said streets adjacent to the said premises occupied by the said defendant as a brewery, adequate and sufficient pipes and mains, connected with, and forming a part of its system of water distribution, and water works for the supply of the inhabitants of the city of New Orleans in all things adequate and sufficient to deliver to said defendant on said premises any amount of water required, or used by the said defendant and its operations as a brewery, or in the business carried on on said premises, and that your orator has at all times had the lawful right to deliver to, and on said premises any and all amounts of water delivered on said premises, or used thereon, reaching said premises through pipes, conduits or through the instrumentality of pumping machinery or other device, and was at all times entitled to have and received a due and proper remuneration therefor. That your orator has no means of ascertaining exactly the amount of water delivered on said premises, and used and expended on said premises through the operations of the said defendant,

24 and is unable therefore to state with exactness, the amount of renumeration or pay that it should receive and be paid by the said defendant for the water supply on said premises. But your orator shows unto your honors, that it has reason to believe and does believe that the price which your orator would have earned and should receive for the water pumped or carried from the Mississippi river to said premises since the date when said pipe was laid down and put into operation, by the said defendant far exceeds the sum of $5,000, and that if said pipe is permitted to remain and be used by the said defendant for the supply of said premises with water without renumeration or the consent of your orator, or during the lifetime of the charter of the said defendant; or during the period of the future operations of the said defendants as brewers, and of the said premises as a brewery, the pecuniary loss of profit and damage

resulting to your orator will amount to a further sum largely in excess of the amount above stated.

27. That unless restrained by the due and proper order of this honorable court the said defendant will continue to draw its water supply through said pipe and main, in utter disregard of the rights of your orator in the premises, and of the right, privilege and franchise of your orator to supply said water to said premises during the lifetime of the charter of your orator, and during the period which it is lawfully entitled to supply by the terms of said act of Legislature of said State, to the great pecuniary loss and damage of your orator and to the encouragement of other evil-disposed persons.

25 28. And your orator further shows unto your honors, that the surrender of the said obligations of the city of New Orleans and the exchange thereof into and for the shares of stock in said New Orleans Water Works Company subject to the said conditions of said charter, has been far from profitable to the said shareholders of said company; the market value of said shares are not at par and your orators have never earned or divided among its shareholders, a sum equal to ten per cent. on the amount of said shares, or the cost of said water works to the shareholders and to your orator, and has little prospect, from present indications of being able to so declare or make a dividend equal to ten per cent. on the capital stock of the company during the existence of its chartered rights; that if the said pretended power of the city of New Orleans to grant rights to private parties and corporations to lay down pipes and mains on property not adjacent to, or lying immediately on the river and draw through said pipes their said supply of water, without regard to the rights of your orator, is held to be valid and lawful, your orator's rights and property in said water works will become practically confiscated and of no value. And the shareholders in said company will have received practically no value whatsoever for the said obligations of the said city of New Orleans so surrendered and exchanged by them for said property.

29. And your orator avers that the said acts of the city of New Orleans, is a fraud upon the rights of your orator, and that said defendant had at all times full knowledge of the rights of your

26 orator in the premises and that the said act of the city of New Orleans was fraudulent, in bad faith, and contrary to law, yet unless restrained by the order, injunction and decree of this honorable court, the said defendant will continue to avail itself of the said pipe or conduit so laid down as aforesaid and operate the said pipe or pipes to procure the entire supply of water consumed on said premises during the period of the lifetime now remaining to your orator, as a corporation, and cause your orator a continued pecuniary loss and injury during the whole of said period.

30. That your orator is remediless in the premises in a court of law, and therefore applies and appeals to this honorable court sitting in equity having peculiar and full powers in this behalf jurisdiction in the premises, by virtue of the premises, and the Con-

stitution and laws of the United States. And that all said actings and doings of the said defendant are contrary to equity and good conscience, and tend to the manifest wrong, injury and oppression of your orators in the premises.

Therefore, to the end, that the said defendant, if it can show why your orators should not have the relief herein and hereby prayed for. Your orator, prays that the said defendant may according to the very best of its knowledge remembrance, information and belief, full, true, direct and perfect answer make to the premises, the oath of the said defendant to said answer being hereby waived. That after due proceedings had, may it please your
27 honors to grant unto your orator, the writ of injunction both provisional and perpetual enjoining the said defendant, both its agents, servants and attorneys, and all manner of persons associated with it, in the conduct, management and operation of the said premises, and the said brewery; that they desist and refrain from laying, constructing, making, using or causing to be laid, constructed, made or established any pipe, pipes, conduits or mains from any point on the Mississippi river or from any other waters to the said premises so occupied by the said defendant as a brewery; and from using or continuing to use for the purpose of procuring a water supply for use on said premises, any pipe or main now laid, made, or in existence leading from the Mississippi river to said premises; and from drawing, pumping, leading or causing to be drawn, pumped or led through such main, pipe, or conduit, by, or through the instrumentality of pumping machinery, or any other device any water, or water supply, to be used, consumed, or stored in and on said premises so occupied by them, or in, or on any other premises for subsequent use as a water supply to be consumed on said premises for the purposes of manufacture or for any other purpose. From setting up, or pretending to receive, or derive any authority for laying, continuing, or using any pipe, main, or conduit under and by virtue of any legislation, or pretended legislation or ordinance of the city of New Orleans, made, adopted or promulgated at any time since the date when your orator acquired said water works as aforesaid; and from having or receiving a water supply on said premises reaching or being taken
28 to said premises through pipes, conduits, or mains, or by, or through the instrumentality of pumping machinery, during the continuance of the right of your orator, and its lifetime under its charter, from any other source, than from the pipes, mains and conduits of your orator. And that the said defendant be decreed to come to a just, full and exact account of all the water which it has pumped, or caused to be pumped or led to said premises by or through the said conduit or main running from said premises to the Mississippi river during the whole of the period for which said pipe has been in use, and so used by the said defendant as a source of water supply to said premises, and that when ascertained, your honors decree unto your orators full and exact remuneration and pay therefor in such sum, and at such rate per thousand gallons as shall be found to be the schedule established rate of re*nu*meration due to your orator

to be arrived at when, by discovery, it shall be ascertained exactly what supply of water has been by the said defendant drawn through said pipe, and used on said premises.

And may it please your honors to grant unto your orator the most gracious writ of subpœna of the United States of America directed to the said Southern Brewing Company, commanding the said defendant on a day certain under a certain penalty therein to be specified, personally to be and appear before your honors in this honorable court and then and there answer all and singular the premises, and stand to, perform, and abide such order and decree therein as your honors shall see meet and just, and grant
29 your orator such other and further relief in the premises, as shall seem meet, and agreeable to equity and good conscience and the nature of the case may require.

And your orator will ever pray, etc.

(Signed) R. L. MACMURDO,
Sec'ty & Treas'r. [SEAL.]

(Signed) J. R. BECKWITH,
Sol. and Counsel for Complainant.

EASTERN DISTRICT OF LOUISIANA, *ss:*

L. H. Gardner, being duly sworn, deposeth and saith that he — superintendent of the New Orleans Water Works Co., complainant; that he knows the contents of the foregoing bill of complaint; that the same is true except as to such matters as are therein set forth on information and belief and that as to all such matter- he verily believes the same to be true as therein set forth.

(Signed) L. H. GARDNER.

Sworn to and subscribed before me this 15 May, 1886, at New Orleans, La.

[SEAL.] (Signed) A. S. BECK,
Notary Public.

(Sig.) R. L. MACMURDO, [SEAL.]
Sec'ty & Treas'r.

30 *Appearance of Defendant.*

Extract from the Chancery Order Book.

MONDAY, *June* 7, 1886.

NEW ORLEANS WATER WORKS CO. *vs.* SOUTHERN BREWING COMPANY. } No. 11351.

And now comes The Southern Brewing Co., defendant herein, by its solicitor, A. Goldthwaite, and enters its appearance to the complainant's bill of complaint.

Plea. Filed October 7, 1886.

U. S. Circuit Court, Eastern District of Louisiana. In Equity.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

The plea of The Southern Brewing Company, the defendant, to the bill of complaint of The New Orleans Water Works Company, complainant.

This defendant, by protestation, not confessing or acknowl-
31 edging all or any of the matters and things in the said complainant's bill of complaint mentioned and contained to be true in such sort, manner, and form as the same are therein set forth and alleged, for plea to the whole of the said bill says that by and under the articles 248 and 258 of the constitution of the State of Louisiana the monopoly features in the charter of any incorporation *non* existing in this State, save such as may be contained in the charters of railroad companies, have been abolished, and that under article 234 of said constitution the General Assembly is prohibited from passing any general or special law for the benefit of corporations, except upon the condition that such corporations shall thereafter hold its charter subject to the provisions of the constitution of 1879; that under article 48 of said constitution it is made the duty of any one applying or about to apply for the passage of a local or special law on any subject not enumerated in article 46 of said constitution to give notice, by due publication for at least thirty days prior to its introduction into the General Assembly, that by act No. 56 of the Public Acts of 1884 special legislation under the constitution of Louisiana was applied for and obtained and benefits thereof and therefrom accepted by the said complainant, The New Orleans Water Works Company; all of which articles of the constitution of Louisiana and act No. 56 of the Public Acts of 1884 are respectfully referred to and made part of this plea as fully as if copied *in extenso* herein; that subsequent to the passage and approval of act No. 56 of Public Acts of 1884
32 and to its becoming law an ordinance, No. 909, council series, a true copy of which is hereto attached and made a part of this plea as fully as if it was copied *in extenso* herein, marked Exhibit A, was adopted and approved, and a contract between the city of New Orleans and the New Orleans Water Works Company was entered into on the 3rd day of October, 1884, whereby the New Orleans Water Works Company have received and accepted the full benefit of act No. 56 of the Public Acts of 1884. A duly certified copy of said contract is hereto attached and made a part of this plea as fully as if it had been copied herein *in extenso*, marked Exhibit B.

Therefore this defendant doth plead the said articles of the constitution of Louisiana above enumerated, the act of the General Assembly known as act No. 56 of Public Acts of 1884, the ordinance

No. 909, council series of the city of New Orleans, and the contract between the city of New Orleans and the New Orleans Water Works Company, dated October 3, 1884, to the said complainant's bill, and prays the judgment of this honorable court whether it should be compelled to make any further answer to said bill, and prays to be hence dismissed with its reasonable costs.

(Signed) A. GOLDTHWAITE,
Sol'r for Defendant.

I hereby certify that in my opinion the foregoing plea is well founded in point of law.

(Signed) A. GOLDTHWAITE,
Sol'r for Defendant.

33 STATE OF LOUISIANA, }
City of New Orleans. }

Personally appeared before me, the undersigned authority, Peter Blaise, who, being duly sworn, says that he is the president of The Southern Brewing Company, defendant in the above-entitled suit, and that the foregoing plea is true as to facts stated and is not interposed for delay.

Dated this 7th day of October, 1886.

(Signed) PET. BLAISE, *Pres't.*

Subscribed and sworn to before me, a duly qualified notary public in and for the parish of Orleans, State of Louisiana, this 7th day of October, 1886.

[SEAL.] (Signed) C. G. REBENTISCH, *Not. Pub.*

Article 48 of the Constitution of the State of Louisiana, Referred to in the Plea.

Art. 48. No local or special laws shall be passed on any subject not enumerated in article 46 of this constitution, unless notice of the intention to apply therefor shall have been published, without cost to the State, in the locality where the matter or thing to be affected may be situated, which notice shall state the substance of the
34 contemplated law, and shall be publishe- at least thirty days prior to the introduction into the General Assembly of such bill, and in the same manner provided by law for the advertisement of judicial sales. The evidence of such notice having been published shall be exhibited in the General Assembly before such act shall be passed, and every such act shall contain a recital that such notice has been given.

Act No. 56, referred to in the pleas, being also Exhibit Z, filed with amended bill.

AN ACT

To provide for the supply of water to the city of New Orleans, by the New Orleans Water Works Company, in cases of the municipal taxation of said company; to authorize provision to be made for the payment of water supplied and to be supplied; to provide for obtaining a supply of clear or filtered water by the New Orleans Water Works Company, and to enable the city of New Orleans to contract for the same; to regulate the payment of taxes imposed on said company contrary to the exemption given in its charter and to put into effect section 11 of act No. 33 of acts of 1877, E. S., in instances of refusing or contrary to the exemption therein.

Whereas, due notice and advertisement has been given and made of the intention to apply for this act pursuant to article 48 of the constitution of this State; and

Whereas, the New Orleans Water Works Company is being subjected to municipal taxation notwithstanding the exemption from taxation granted by the charter in consideration of water to be supplied to the city of New Orleans; and

Whereas, it is possible and desirable to furnish the inhabitants of New Orleans with clear or filtered water from the Mississippi river; therefore,

SECTION 1. Be it enacted by the General Assembly of the State of Louisiana, That in all instances of the taxation of the franchises or property of the New Orleans Water Works Company for any year or years by or for the city of New Orleans, or for municipal purposes, whether such taxation be for past or future years, and the said company be in any manner obliged to pay, notwithstanding the exemption granted in section 11 of act No. 33 of acts of 1877, E. S., then, in all such instances, the said city of New Orleans is hereby empowered and required to pay the said company the value of all the water the said company has supplied or shall supply during any year or years, for which said taxes have been or shall be levied, to or for the use and purposes of the city of New Orleans, its public buildings, markets, or for streets, gutters, extinguishment of fires, or other public purposes.

SEC. 2. Be it further enacted etc., That in all instances of such taxation, contrary to said exemption, or any future year or years, the city of New Orleans shall provide in its budget, or shall set apart and appropriate a sum sufficient to pay for the said water supply for said year or years; and unless this be observed and done, the said company shall not be compelled to deliver water for the uses and purposes aforesaid.

SEC. —. Be it further enacted, etc., That any taxes already imposed for any year, contrary to said exemptions, shall not be exacted, nor any penalty or interest accrued be demanded thereon, or any begin to run until said city shall have provided for the pay-

ment of the water supplied in said year, or provision made therefor by remedy at law or equity.

SEC. 4. Be it further enacted, etc., That to secure the inhabitants of New Orleans and to the use of the city a supply of filtered or clear water, the city of New Orleans be and is hereby empowered to contract with the said company, and determine upon terms and conditions, and fix a price for obtaining from said company such supply of clear or filtered water.

SEC. 5. Be it further enacted, etc., That nothing in this act shall be construed as in any manner abridging or otherwise affecting any of the rights, franchises and privileges heretofore granted to said company; but all such rights, franchises and privileges shall continue and belong to said company.

SEC. 6. Be it further enacted, etc., That all laws or parts of laws inconsistent herewith be and are hereby repealed, and this act shall have effect from and after its promulgation.

H. W. OGDEN,
Speaker of the House of Representatives.
CLAY KNOBLOCH,
Lieutenant Governor and President of the Senate.

Approved 7th July, 1884.

S. D. McENERY,
Governor of the State of Louisiana.

A true copy from the original.
OSCAR ARROYO,
Secretary of State.

37 Contract between the city of New Orleans and the New Orleans Water Works Company, being also Exhibit X, filed with amended bill and filed with plea October 7, 1886.

UNITED STATES OF AMERICA

STATE OF LOUISIANA,
Parish of Orleans, City of New Orleans.

Be it known that on this third day of the month of October, in the year of our Lord one thousand eight hundred and eighty-four, and of the Independence of the United States of America the one hundred and ninth—

Before me, Joseph Dewey Taylor, a notary public in and for the parish of Orleans, State of Louisiana, duly commissioned and qualified, and official notary of the city of New Orleans, and in the presence of the witnesses hereinafter named and undersigned, personally came and appeared—

The Honorable Joseph Valsin Guillotte, mayor of the city of New Orleans, herein acting in his official capacity as mayor aforesaid, being herein and hereunto specially authorized and empowered by ordinance number 909, council series, adopted by the council of the city of New Orleans on the 23rd day of September, A. D. 1884, a duly certified copy of which ordinance is hereto annexed and made part hereof.

Also came and appeared Mr. Albert Baldwin, president of
38 and herein representing the New Orleans Water Works Company, being herein and hereunto specially authorized and empowered by a resolution of the board of directors of said water works company passed at a meeting of said board held in the city of New Orleans on the 27th day of September, A. D. 1884, a certified copy of which resolution is hereto annexed and made part hereof.

Whereupon said Albert Baldwin, in his said capacity as president, declared and does hereby declare that he accepts all and singular the terms, conditions, provisions, obligations, rights, benefits, and advantages set forth and contained in said ordinance No. 909, adopted by the council of the city of New Orleans on the 23rd day of September, A. D. 1884, and approved by mayor on the 26th day of September, A. D. 1884, thereupon duly promulgated, and which said ordinance, so accepted by said Baldwin, president, is in the words and figures following, to wit:

AN ORDINANCE

To carry out act No. 56 of the acts of 1884, providing for a future water supply from the New Orleans Water Works Company to and for the city of New Orleans and certain institutions, and regulating the use of water and the payment therefor.

Whereas, the city of New Orleans has been, and is, and will be, unable to allow the New Orleans Water Works Company the fifty years' exemption from taxation, being the consideration for a free supply of water, contemplated by section 11 of act No. 33 of the acts of 1877; and the courts having decided that the exemption from municipal taxation granted in said act is not, and shall
39 not be enjoyed, and therefore, as is also decided, that the city must pay for the water supplied by said company and

Whereas, it is best to arrange for a fixed annual price for said water supply, rather than leave the city liable to an annual demand, the amount of which cannot be known in advance, and from which the city cannot be relieved, but is specially authorized and required to provide for the payment therefor, and

Whereas, the said New Orleans Water Works Company is willing to accept terms, arranging for a sum to be determined in advance of each year, and which amount can be readily and equitably fixed, according to a mode adopted in other cities, by reference to the number of fire-hydrants, fire-plugs or fire-wells now numbering eleven hundred and thirty-nine (1139) in this city; therefore

SECTION 1ST. Be it ordained by the city council of the city of New Orleans, That during the term of the charter of the New Orleans Water Works Company, beginning with the year 1885, the supply of water for which this ordinance provides, shall be furnished by the said company, from the pipes and plugs of said company, now laid or hereafter to be laid, for the following purposes, to wit: For the extinguishment of fires and cleansing of the gutters; for the use of all existing public buildings, public markets, public squares and places; public schools and the public charitable institutions supported

and to be established and supported by the State or city, and now supplied by the said company; it shall be the duty of said company to keep and maintain a head or pressure of water of not less than fifty feet head, between the hours of
40 seven a. m. and six p. m.; and the reservoir supply at night and between these hours shall be of such abundance as amply to cover the needs of the fire department for extinguishing fires; and said company shall make such provision as may be necessary to reinforce or supplement said reservoir supply in case of need or accident. In consideration for said supply, the city of New Orleans shall pay, during the term of said company's charter, to the said New Orleans Water Works Company sixty dollars ($60.00) per annum for each and every fire plug, fire hydrant and fire well connected with the mains or pipes of said company, of which said fire plugs, fire hydrants and fire wells there are now eleven hundred and thirty-nine (1139), which number shall ever be the least measure of the annual sum to be paid to said company, and for every additional hydrant, fire plug or fire well exceeding said number, hereafter attached to said pipes or mains, the city shall pay an additional sixty dollars ($60.00) per annum.

SECTION 2. Be it further ordained, etc., That the city of New Orleans shall have the power in time of drouth to furnish water to such persons as may live outsides the lines (of) the pipes of said water works company free from all charges by the same, and shall have further power by ordinance duly passed and notified in writing to said company, before each annual appropriation for said supply, to decrease or increase the number of fire plugs, fire hydrants and fire wells for the ensuing year, all such ordinances to designate the locations for the new attachments or intended cut-offs; pro-
41 vided, however, that the number of said fire hydrants, fire plugs and fire wells be not reduced below eleven hundred and thirty-nine (1139), the intent thereof being that the annual price to be paid for said water supply shall never be less than as fixed herein; by reference to the now existing number of said fire plugs, fire hydrants and fire wells, but the city expressly reserves the power to change the location of any and all of said fire plugs, hydrants or wells, whenever the council shall deem it necessary, said changes to be at the cost of the company.

SECTION 3. Be it further ordained, etc., That the city of New Orleans shall annually set apart, appropriate and provide in its annual budgets of expenditures and receipts, beginning with those for the year 1885, and in all successive budgets for each year successively, a sum sufficient to pay for said annual water supply, as fixed in the foregoing sections of this ordinance; and that said annual sum or price shall be paid to said New Orleans Water Works Company, in twelve equal and monthly installments, one on the last day of each consecutive month, beginning in the month of January, 1885, for the year 1885; and beginning also in the month of January in each year thereafter; and in event of prompt cash payments of said installments, during each year, the city of New Orleans shall be entitled to deduct and retain from the last

installment in each year six per centum of the entire amount paid and payable to the said company in and for said year; but should any installment be unpaid when due, it shall bear interest at the rate of eight per centum per annum, from the end of the month in which it was payable, until finally paid.

42 SECTION 4. Be it further ordained, etc., That it is hereby made the duty of the comptroller or auditing officer, and of the treasurer of said city of New Orleans, carefully to set apart and keep, as a distinct fund, the moneys or collections which shall have been appropriated in each year, pursuant to this ordinance, and such proportion of all collections of the revenue as shall have been appropriated in the budgets to and for said company, or the said water supply for each year shall be carefully and exactly set apart by said officers, as collected; and shall be warranted for by said comptroller and paid by said treasurer to said company, during each month, without further direction, ordinance or authority than that hereby given.

SECTION 5. Be it further ordained, etc., That the New Orleans Water Works Company shall have the right to inspect and to examine into the use of water to be supplied, under this ordinance, and the city of New Orleans and its officers shall see that no water is taken or used except for the purpose aforesaid, and that there shall be no waste nor more water taken and used, than may be actually necessary for the purposes aforesaid; and to this end the city of New Orleans shall adopt all proper measures or ordinances to prevent waste and to prevent any use of water except for the purposes herein designated; and it is hereby made the duty of the officers of said city and of those of any and all public buildings, and public institutions, and of all persons using water under this ordinance, to prevent waste and to prevent the use of such water except for the

43 actual need for the purposes aforesaid.

SECTION 6. Be it further ordained, etc., That the mayor be and he is hereby authorized and directed to execute a contract by notarial act, to and with said company, embodying and carrying out the provisions of this ordinance.

SECTION 7. Be it further ordained, etc., That all ordinances or parts of ordinances, inconsistent or in conflict with this ordinance, be and the same are hereby repealed.

Adopted by the council of the city of New Orleans September 23, 1884.

M. McNAMARA,
Clerk of Council.

Approved September 26, 1884.

J. V. GUILLOTTE, *Mayor.*

A true copy.

TH. BUISSON,
Secretary to the Mayor.

And said Joseph Valsin Guillotte, mayor, and said Albert Baldwin, president, having each read and declared himself fully cognizant

of the contents of said ordinance, do severally declare that they do hereby contract, engage, and agree one with the other according to the terms, provisions, conditions, and language of said ordinance; all and singular of which said terms, conditions, provisions, and language shall be, and is hereby, made a contract, engagement, and agreement between said parties, the city of New Orleans and the New Orleans Water Works Company, to be observed and carried out and held and maintained inviolate during the entire term and existence of the said New Orleans Water Works Company, its
44 assigns or successors, as now fixed in the charter of said company, being a period of fifty years from the incorporation of said company.

The said Albert Baldwin, as president aforesaid, engages to furnish and supply water from the pipes of said company in the manner, at the times, and for all purposes and objects as set forth in and pursuant to the provisions and requirements of the said ordinance No. 909, council series; to furnish or supply water to and for the public places, buildings, and institutions as in and by said ordinance required; to allow the city of New Orleans in time of drouth, said state or condition of drouth to be decided by the board of this company and the city council, to furnish water to such persons as may live outside the lines of the pipes of the said company for the needs of said persons, without waste and by such means of transportation by carts, wagons, barrels, or like appliances as said city may provide and furnish, all pursuant to the intent and purpose of sections second and fifty of said ordinance; to observe and obey any ordinance duly notified to said company directing the increase of the number of fire-plugs, fire-hydrants, and fire-wells or the decrease thereof, provided said decrease be not below eleven hundred and thirty-nine (1,139) in number, all according to section third of said ordinance; and, further, he engages and contracts, as president aforesaid, to do, perform, and give and to observe, carry out, and fulfill all things required of said company by or in said ordinance.

In consideration whereof said Joseph Valsin Guillotte,
45 mayor aforesaid, engages and contracts to pay unto said company annually the sum of sixty (60) dollars for each and every fire-plug, fire-hydrant, and fire-well connected with the mains or pipes of said company, of which there are now eleven hundred and thirty-nine (1,139), and which number shall ever be the least measure of the annual sum to be paid said company; to pay said company annually sixty (60) dollars for every additional hydrant, fire-well, or fire-plug exceeding said number of eleven hundred and thirty-nine (1,139) and hereafter attached to said mains or pipes; to notify said company in writing of all decrease or increase required of said plugs, hydrants, or wells; to make promptly, fully, and specially the annual appropriations and monthly payments as required by and in section three of said ordinance, the city to deduct or retain from the last monthly payment in each year six per centum of each annual sum paid and to be paid said company, as provided in said section three; to hold and set apart and keep as a distinct fund the moneys or collections as required by said ordinance, and upon

request or demand of said company on the last day of each month in any year the comptroller of the city shall warrant on the treasurer for and the treasurer shall pay from said money or collections the installment which at that time shall be due, without other authority or ordinance than said ordinance, and the comptroller or auditing officer and the treasurer of the city shall faithfully carry out and promptly obey all the requirements and provisions of the fourth section of said ordinance, and shall raise no obstacle
46 nor impose any delay in obeying the same, and it shall be the duty of each in his respective department to keep all money and collections appropriated under said ordinance and this contract as separate from all other moneys and as a distinct fund, all pursuant to and in accordance with said section four.

The said company shall have the right to inspect and to examine into and concerning the use of water supplied by it, and none of said water shall be wasted or used otherwise than for the purposes named in said ordinance and to the extent of the actual need for said purposes, all as provided in section five of said ordinance, and to this end the officers and persons designated in said section five and the city of New Orleans shall do, perform, and abstain from doing the things set forth in said section five of said ordinance.

Further, it is agreed, understood, and states by and between the said parties that the specification or detailing in this instrument of the several rights, duties, obligations, and things to be done, performed, observed, carried out, or abstained from respectively does not and shall not limit, modify, or in any manner take from the effect of any of the terms, conditions, provisions, or expressions of said ordinance, all of which are by these presents accepted and made binding, effective, and operative upon and between the said New Orleans Water Works Company and the city of New Orleans, their assigns or successors, for and during the term named in the charter of said company.

Thus done and passed in my office, in the city of New Or-
47 leans aforesaid, the day, month, and year first aforesaid, in the presence of Charles G. Rebentisch and George B. Goetz, witnesses of lawful age, residing in this parish, who have signed their names with said parties and me, notary, after due reading of the whole.

(Original signed) J. V. GUILLOTTE, *Mayor.*
ALBERT BALDWIN,
President of the New Orleans Water Works Company.
C. G. REBENTISCH.
GEO. B. GOETZ.
J. D. TAYLOR, *Not. Pub.*

A true copy of the original.
New Orleans, Aug. 2d, 1886.
[SEAL.] J. D. TAYLOR, *Not. Pub.*

48 *Exhibit Marked A, Referred to and Made Part of Plea. Filed October 7, 1886.*

AN ORDINANCE

To carry out Act No. 56 of the acts of 1884, providing for a future water supply from the New Orleans Water Works Company, to and for the city of New Orleans and certain institutions, and regulating the use of water and the payment therefor.

Whereas, the city of New Orleans has been, and is, and will be, unable to allow the New Orleans Water Works Company the fifty years exemption from taxation, being the consideration for a free supply of water, contemplated by section 11 of act No. 33, of the acts of 1877; and the courts having decided that the exemption from municipal taxation, granted in said act, is not, and shall not be enjoyed, and therefore, as is also decided, that the city must pay for the water supplied by said company; and

Whereas, it is best to arrange for a fixed annual price for said water supply, rather than leave the city liable to an annual demand, the amount of which cannot be known in advance, and from which the city cannot be relieved, but is specially authorized and required to provide for the payment therefor; and

Whereas, the said New Orleans Water Works Company is willing to accept terms, arranging for a sum to be determined in advance of each year, and which amount can be readily and equitably fixed according to a mode adopted in other cities, by reference to the number of fire hydrants, fire plugs or fire wells, now numbering eleven hundred and thirty-nine (1139) in this city; therefore,

SECTION 1. Be it ordained by the city council of the city of New
49 Orleans, that during the term of the charter of the New Orleans Water Works Company, beginning with the year 1885, the supply of water for which this ordinance provides, shall be furnished by the said company from the pipes and plugs of said company, now laid or hereafter to be laid, for the following purposes, to wit: For the extinguishment of fires and the cleansing of the gutters; for the use of all existing public buildings, public markets, public squares and places, public schools and the public charitable institutions supported and to be established and supported by the State or city, and now supplied by the said company; it shall be the duty of said company to keep and maintain a head or pressure of water of not less than fifty feet head, between the hours of seven A. M. and six P. M.; and the reservoir supply at night and between these hours shall be of such abundance as amply to cover the needs of the fire department for extinguishing fires; and said company shall make such provision as may be necessary to reinforce or supplement said reservoir supply in case of need or accident. In consideration for said supply, the city of New Orleans shall pay, during the term of said company's charter to the said New Orleans Water Works Company sixty ($60) dollars per annum for each and every fire plug, fire hydrant and fire well connected with the mains or

pipes of said company, of which said fire plugs, fire hydrants and fire wells there are now eleven hundred and thirty-nine (1139), which number shall ever be the least number of the annual sum to be paid to said company, and for every additional hydrant, fire plug or fire well exceeding said number, hereafter attached to said pipes or mains, the city shall pay an additional sixty ($60) dollars per annum.

SEC. 2. Be it further ordained, etc., That the city of New Orleans shall have the power in time of drouth to furnish water to such persons as may live outside the lines (of) the pipes of said water works company free from all charges by the same, and shall have further power by ordinance duly passed and notified in writing to said company, before each annual appropriation for said supply, to decrease or increase the number of fire plugs, fire hydrants and fire wells for the ensuing year, all such ordinances to designate the locations for the new attachments or intended cut-offs; provided, however, that the number of said fire hydrants, fire plugs and fire wells be not reduced below eleven hundred and thirty-nine (1139), the intent thereof being that the annual price to be paid for said water supply shall never be less than as fixed herein, by reference to the now existing number of said fire plugs, fire hydrants and fire wells; but the city expressly reserves the power to change the location of any and all of said fire plugs, hydrants or wells whenever the council shall deem it necessary, said changes to be at the cost of the company.

SEC. 3. Be it further ordained, etc., That the city of New Orleans shall annually set apart, appropriate and provide in its annual budgets of expenditures and receipts, beginning with those for the year 1885, and in all successive budgets for each year successively, a sum sufficient to pay for said annual water supply, as fixed in the foregoing sections of this ordinance; and that said annual sum or price shall be paid to said New Orleans Water Works Company, in twelve equal and monthly installments, one on the last day of each consecutive month, beginning in the month of January, 1885, for the year 1885; and beginning also in the month of January in each year thereafter; and in event of prompt cash payments of said installments during each year, the city of New Orleans shall be entitled to deduct and retain from the last installment in each year six per centum of the entire amount paid and payable to the said company in and for said year; but should any installments be unpaid when due, it shall bear interest at the rate of eight per centum per annum, from the end of the month in which it was payable, until finally paid.

SEC. 4. Be it further ordained, etc., That it is hereby made the duty of the comptroller or auditing officer, and of the treasurer of said city of New Orleans, carefully to set apart and keep, as a distinct fund, the moneys or collections which shall have been appropriated in each year, pursuant to this ordinance, and such proportion of all collections of the revenue as shall have been appropriated in the budgets to and for said company, or the said water supply for each year shall be carefully and exactly set apart by said officers as collected, and shall be warranted for by said comptroller and paid by

said treasurer to said company, during each month, without further direction, ordinance or authority than that hereby given.

SEC. 5. Be it further ordained, etc., That the New Orleans Water Works Company shall have the right to inspect and to examine into the use of water to be supplied under this ordinance, and the city of New Orleans and its officers shall see that no water is taken or used except for the purpose aforesaid, and that there shall be no waste nor more water taken and used, than may be actually necessary for the purposes aforesaid; and to this end the city of New Orleans shall adopt all proper measures or ordinances to prevent waste and to prevent any use of water except for the purposes herein designated; and it is hereby made the duty of the officers of said city, and of those of any and all public buildings, and public institutions, and of all persons using water under this ordinance, to prevent waste and to prevent the use of such water except for the actual need for the purposes aforesaid.

SEC. 6. Be it further ordained, etc., That the mayor be and is hereby authorized and directed to execute a contract by notarial act, to and with said company, embodying and carrying out the provisions of this ordinance.

SEC. 7. Be it further ordained, etc., That all ordinances or parts of ordinances, inconsistent or in conflict with this ordinance, be and the same are hereby repealed.

Adopted by the Council of the city of New Orleans, September 23d, 1884.

M. McNAMARA,
Clerk of Council.

Approved September 26th, 1884.

J. V. GUILLOTTE, *Mayor.*

A true copy.
TH. BUISSON,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *30th July*, 1886.

A true copy of ordinance No. 909, council series, adopted by the council of the city of New Orleans 23rd September, 1884, approved by the mayor, and duly promulgated in the official journal.

(Signed) E. L. BOWER,
Chief Clerk.

Petition for Leave to Amend Bill, under Rule 29, by Reason of Plea. Filed October 21, 1886.

Circuit Court of the United States, Eastern District of Louisiana.
In Equity.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

51 To the honorable the judges of the circuit court of the United States for the eastern district of Louisiana:

The petition of the complainant herein with respect shows to your honors that by consent of the complainant the time for plea, answer, or demurrer herein by the defendant was extended upon the condition that the defendant give complainant notice of every pleading on its part; that the bill was filed in May last, and during the present month your petitioner has had notice and learned that a plea was filed herein; that on examination of the plea and the issues sought to be made thereby your petitioner is advised that in order to present the issue fully it is necessary and important that the bill herein be amended concerning said new matter pleaded.

That your petitioner submits herewith the draft of said bill as it is advised it should be amended by reason of said plea.

That your petitioner has filed no replication or taken any issue on said plea, and that none is due until the next rule day in course.

Wherefore your petitioner most respectfully prays your honors that it may have leave to amend its said bill, and that said bill as amended be filed as provided in rule 29 of the equity rules, and will ever pray, &c.

(Signed) J. R. BECKWITH,
Solicirot and Counsel for Complainant.

Order.

52 Considering the petition and accompanying amended bill, and that no replication has been filed *and* rule 29 of the equity rules, it is ordered that the complainant have leave to file said amended bill, and that a copy thereof be served on the counsel for defendant.

October 22d, 1886.

(Signed) DON A. PARDEE,
Circuit Judge.

Amended Bill. Filed October 21, 1886.

Circuit Court of the United States for the Eastern District of Louisiana. In Equity.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

To the honorable the judges of the circuit court of the United States for the eastern district of Louisiana:

The complainant herein, The New Orleans Water Works Company, by leave of the court first had and obtained now comes and amends its bill of complaint herein by inserting therein in addition to the allegations contained in article 24 of said original bill the allegations contained between brackets, making the said bill of complaint as amended read as follows:

53 THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

Bill. Filed May 15, 1886.

UNITED STATES OF AMERICA,
Eastern District of Louisiana, } *ss:*

To the honorable the judges of the circuit court of the United States in and for the fifth judicial district, eastern district of Louisiana:

The New Orleans Water Works Company, a corporation duly created under and by virtue of the laws of the State of Louisiana, domiciled in the parish of Orleans, in said State, brings this its bill of complaint against The Southern Brewing Company, a corporation created under and by virtue of the laws of Louisiana, domiciled and doing business within the parish of Orleans, in the eastern district of Louisiana aforesaid.

1. And thereupon your orator shows unto your honors that the Legislature of the State of Louisiana, by an act thereof approved on the first day of April, A. D. 1833, created and established a corporation called the Commercial Bank of New Orleans; that the chief object and purpose of said organized corporation was to convey water and water supply unto the city of New Orleans and
54 the faubourgs and into the homes of the inhabitants thereof, and to accomplish and effect a public water supply for the inhabitants of said city; that in and by said act of the Legislature aforesaid it was enacted that the said Commercial Bank of New Orleans should have a capital stock of three millions of dollars, to be subscribed for as provided in the said act, and that the said corporation should erect and establish a system of public water works in the city of New Orleans adequate to a sufficient water supply for said city and the inhabitants thereof, as provided in said act. It is also

enacted therein that said Commercial Bank of New Orleans should have and possess the exclusive privilege of furnishing said water supply, erecting said water works, and laying pipes and mains for said supply from and after the passage of said act, the water to be taken or drawn from the Mississippi river by means of pipes or conduits; and said corporation was vested with power to lay down pipes and erect the works necessary to effect said purpose, subject to the restrictions and the conditions contained in said act of the Legislature; and it was in said act further provided that if at any time after the expiration of thirty-five years from the date of the passage of said act the corporation of the city of New Orleans should so elect, the said corporation, the city of New Orleans, was authorized to purchase from said Commercial Bank of New Orleans the water works so had and so constructed by the said company, together with all the rights and franchises pertaining to the same, including said exclusive right aforesaid; that it was further provided in said act of the Legislature that in the event the said city of New Orleans, after the expiration of said thirty-five years, should elect to purchase said water works from the said Commercial Bank of New Orleans, the price to be paid therefor by the city of New Orleans should be fixed by arbitration, as provided in said act, and the amount so fixed should be payable to the said Commercial Bank of New Orleans in the bonds of the mayor, aldermen, and inhabitants of the city of New Orleans, bearing interest at the rate of five per cent. per annum, payable semi-annually, and redeemable in not less than ten years nor more than thirty years from the date on which the said award should be signed, and the said water works, its machinery, pipes, and plant, delivered over to the said city of New Orleans, as more fully and at large appears by said public act of the Legislature of said State, to which your orator at all times refers.

55

2. And your orator further shows unto your honors that after the passage and adoption of the said act of the Legislature the capital stock required as provided in said act was duly subscribed and said company was organized and accepted the terms of the said act of Legislature and constructed an elaborate system of water works in the city of New Orleans, as provided, directed, and required by the said act of Legislature, and continued to own, manage, control, and operate the same for the full period of thirty-five years from and after the adoption of the said act of Legislature, and during the entire period aforesaid had and possessed, under and by virtue of the terms of said grant and act of Legislature, including the right and privilege of managing and operating the said public water works, for providing the supply of water to the city of New Orleans and the inhabitants thereof.

56

3. And your orator further shows unto your honors that at the expiration of the said period of thirty-five years the corporation of the city of New Orleans elected to take advantage of the provisions of said act wherein and whereby it was permitted to purchase said rights of the said Commercial Bank of New Orleans in said water works and everything relating thereto; that appraisers were ap-

pointed and the valuation of the property arrived at, as required in said act, and was by arbitration established at the sum of two million dollars; that at that time, as organized under said act of Legislature, the city of New Orleans was a large shareholder in the said Commercial Bank of New Orleans, and, in order to pay for said water works, acquired the interest of the other shareholders therein by purchase, and to that end issued and delivered to the said Commercial Bank of New Orleans the bonds of the city of New Orleans in due form, duly issued as provided in said act of Legislature, in the sum of one million three hundred and ninety-three thousand and four hundred dollars ($1,393,400) for the appraised and estimated value of the interest in said Commercial Bank and water works not at that time owned by the city of New Orleans and represented by the shares of stock in said corporation standing in her name; that said bonds were made redeemable in forty years
57 from the date thereof and bore five per cent. interest per annum, payable semi-annually; that said bonds are commonly known as the water-works bonds; whereupon the said Commercial Bank of the City of New Orleans, — required by said act of Legislature, conveyed and transferred to the city of New Orleans full, absolute, and complete title in and to said water works, and of all rights, privileges, and immunities which were possessed by said Commercial Bank of New Orleans, whereby the city of New Orleans became and was vested with the exclusive right and privilege of furnishing water, by a system of public water works, to the public and inhabitants of said city of New Orleans; that said right was an exclusive right, without limit as to time, and, in the language of the said act, was to continue "forever."

4. And your orator further shows unto your honors that, having so become possessed of said water works by the title aforesaid, the said city of New Orleans, as a corporation, managed, conducted, and held, exacting pay from those receiving water supply therefrom, until in or about the month of February, A. D. 1878, as hereinafter set forth.

5. And your orator further shows unto your honors that during the period of time which the said city of New Orleans owned and operated the said water works said corporation was much embarrassed in its finances, and was largely in debt; that it was with extreme difficulty that the said corporation could meet and pay the annual demands of interest on said bonds and its other current expenses; that in the year A. D. 1877, in order to relieve the
58 said city of New Orleans in a measure from its financial embarrassment growing out of its said indebtedness, the Legislature of Louisiana, at an extra session of the Legislature thereof held in 1877, passed and adopted act No. 33 of the acts of said extra session entitled "An act to enable the city of New Orleans to promote the public health and to afford greater security against fire by the establishment of a corporation to be called the New Orleans Water Works Company (the same being your orators); to authorize the said company to issue bonds for the purpose of extending and improving the said works, and to furnish the inhabitants of the

city of New Orleans an adequate supply of pure and wholesome water, and to permit holders of the water-works bonds to convert them into stock, and to provide for the liquidation of the bonded and floating debt of the city of New Orleans, etc.," to which said act, as published by authority in the public statutes of the said State, your orator at all times refers and makes the same a part of this bill of complaint to the same extent and effect as if written herein *in extenso*.

6. And your orator further shows unto your honors that it was provided in said act that a corporation be created to be known as the New Orleans Water Works Company, and provided, amongst other things, that the holders of the said water-works bonds might convert the same into the capital stock of the said company, and that when so converted the said bonds should be surrendered and cancelled; that there should be issued to the city of New Orleans stock amounting to six hundred and six thousand and six hundred
59 dollars ($606,600) full-paid shares of stock in said company of one hundred dollars each, besides one additional share of stock for every one hundred dollars of the said water-works bonds which she had redeemed and possessed herself of prior to the time of the organization of said company, whether taken up either by payments, funding into premium bonds or other securities, or otherwise; and that for the purpose of carrying out the provisions of said act all the certificates of all the stock in said company should be issued to the said city of New Orleans, one set of certificates equal in value and amount to the then outstanding par-value amount of the said water-works bonds then held by the said city to be exchanged for the said bonds with the holders thereof, the other set of certificates being held by the said city of New Orleans in her own right, and in trust for the holders of all other bonds and floating indebtedness of every kind and nature who might desire to avail themselves thereof in the manner hereinafter set forth. And it was also further provided in said act that said water works company should be organized by the mayor of the city of New Orleans giving thirty days' notice that he would receive the subscriptions of bondholders who might agree to exchange the said bonds for the stock in said water works company, and that the city should subscribe for said stock to the amount of six hundred and six thousand and six hundred dollars ($606,600), and such other amount as should be equal in par value to any of the said water-works bonds which should have been extinguished by the said city of New Orleans by exchange, payment, or other-
60 wise, and that as soon as the sum of five hundred thousand dollars in addition to said subscription to be made by the city should have been made, and the amount of bonds represented thereby and exchanged therefor should have been surrendered and cancelled by the administrator of finance, the said subscribers should assemble on a day to be named by the mayor of the city of New Orleans and elect a board of directors to be composed of seven persons, of whom the mayor was designated as one, and that of the remaining directors four should be designated by the mayor by appoint-

ment, and three to be selected by the subscribers other than the said city of New Orleans, to be selected from amongst the subscribers, and that the directors thus designated and elected should constitute the first board of directors of the said company.

7. And your orator further shows unto your honors that the city of New Orleans accepted the conditions and provisions of the said act of Legislature and subscribed for the full amount of said shares of stock to be subscribed for by the said city, and that the holders of the said water-works bonds subscribed also to the said capital stock of the said company in a sum exceeding five hundred thousand dollars, and, as required, surrendered their bonds, being the water-works bonds aforesaid, to the administrator of finance on or about the tenth day of March, A. D. 1878, which said bonds so subscribed and surrendered as aforesaid were by said administrator of finance of the city of New Orleans duly cancelled and extin-
61 guished, leaving to the subscribers who had surrendered the same only their stock subscription and the stock represented thereby in lieu and place of the bonds so subscribed and surrendered by them; that immediately thereafter, during the said month of March, 1878, the said company was duly organized, and, upon due and proper notice and proceedings had, a board of directors, as provided for in said act of Legislature, duly appointed and elected as provided for in said act; that when said company was organized as aforesaid it at once agreed to and accepted all of the conditions of the said act of Legislature as originally adopted by the said Legislature and as amended by an act entitled "An act relative to the charter of the New Orleans Water Works Company, and amending act No. 33 of the extra session of 1877, approved March 31, 1877," which said last-mentioned act was approved on the 26th day of February, A. D. 1878, whereby your orator became and was vested with corporate character and existence and vested with all the rights and privileges granted under said act No. 33 of the extra session of 1877 and the said act amendatory thereof, and the said city of New Orleans, having also as aforesaid accepted the terms and conditions of the said act, did, as provided for in the said act, immediately after the appointment and election of the said board of directors as aforesaid, in and by notarial act, in due form, transfer, set over, and grant unto your orator all of its rights, title, and interest in and to said water works, as it had acquired the same form the said Commercial Bank of New Orleans, and all subsequent additions thereto, together with its exclusive right and priv-
62 ilege to provide and furnish the public water supply of the city of New Orleans, acquired from said Commercial Bank, which said notarial act or a copy thereof, duly attested, your orator has now here in court, ready to submit to the court as the court shall direct.

8. And your orator further shows unto your honors that in and by said act of conveyance, assignment, and transfer of said water works and the rights thereto pertaining so made and conveyed to your orator as aforesaid by the city of New Orleans the said city of New Orleans, as grantor therein in said transfer, conveyed the

same to your orator with full and explicit warranty in all particulars.

9. And your orator further shows unto your honors that by reason of the premises your orator became and was vested with full, absolute, and complete title to all the said water works and to all privileges acquired by the said city of New Orleans from the said Commercial Bank of New Orleans as aforesaid, and all the rights, privileges, and property of the said city of New Orleans in and to said water works, as the said city possessed and held the same prior to said last-mentioned alienation and transfer, and has had the exclusive right of supplying said city of New Orleans and its inhabitants from the Mississippi river or any other stream or river by means of pipes or conduits, and the right of erecting and constructing all necessary works, engines, and machinery for that purpose for the full period of fifty years from and after the said thirty-first day of March, A. D. 1877, the date of said transfer of said water works to your orator.

63 10. And your orator further shows unto your honors that among the other rights granted and conferred upon your orator by said act of Legislature was the right and power to increase the capital stock of said corporation, and particularly to borrow money for the purpose of improving and enlarging said works and increasing the supply of water to be furnished the said city of New Orleans; that the entire capital stock of said corporation having been made up and purchased with the obligations of the city of New Orleans so delivered to said city of New Orleans in payment of said subscription, there was left to your orator no fund or capital stock in its treasury wherewith to pay and discharge the expense necessarily involved in extending, repairing, and operating said system of public water supply; that in order to accomplish this end your orator was authorized to issue bonds of the company to an amount not exceeding two millions of dollars, in such sums and at such times and bearing such rate of interest as the board of directors of your orator might determine or deem most expedient to accomplish said end; and your orator was authorized to secure the payment of the said bonds, principal and interest, by a mortgage bearing on all the property and franchises of said New Orleans Water Works Company, including its franchise to be a corporation and its right to the exclusive water supply of said city and all of the property possessed and held, owned or acquired, by your orator, subject to the condition that no such bond or mortgage shall be given or issued without the consent of the council of the
64 city of New Orleans, and that the said bonds should not be sold or disposed of except upon such terms as shall be approved of — said council or legislative body of the city of New Orleans.

11. And your orator further shows unto your honors that in order to render said works adequate to sufficiently supply the said inhabitants of said city with water, and to repair the same, and to extend the works and renew old and decayed pipe and replace the same, and to extend the facilities of your orator for supplying water to said

city, and in order to fully carry out the obligations and conditions bearing upon it in the said act of incorporation under which your orator has its existence, it became and was immediately necessary to expend large sums of money, which your orator was compelled necessarily to raise or procure by loans, and that your orator, by and with the consent of the city of New Orleans, has made and issued five hundred thousand dollars of bonds of said company, and has disposed of over three hundred thousand of that amount, and has realized the money therefrom; that all this was done by and with the consent of the city of New Orleans and the council and legislative department thereof, and that your orator has expended the said money or a large portion thereof in increasing, improving, and enlarging the said water works in order to render the same adequate to supply the demand for water, and to carry out and observe the provisions and requirements of the said act of Legislature incorporating your orator; that to secure the payment of the said bonds your orator has also, by and with the consent of the said city
65 of New Orleans, as provided in said act, made and executed in due form a mortgage bearing upon and including all of the property of your orator and the franchise as a corporation, and that the said mortgage has been duly recorded and is now in full force and effect.

12. And your orator further shows unto your honors that among other rights conferred upon your orator is the right to fix charges for water within the limits of the city of New Orleans, limited only by the provision that the net profits of the company from that source shall not exceed ten per cent. per annum upon the capital stock thereof.

13. And your orator further shows unto your honors that your orator, the said New Orleans Water Works Company, has in all things acted in good faith; that it accepted the terms and conditions of said act of Legislature only after having obtained the full consent of the city of New Orleans thereto, and by and with the full consent of the city of New Orleans, as hereinbefore set forth; and that had your orator not supposed that your orator had thereby acquired and obtained the full and exclusive right and privilege of supplying the city of New Orleans with water by a system of public water works, to the exclusion of all other means and sources of supply, through pipes or conduits brought into the said city, your orator would never have entered into said engagements, nor would the subscribers thereto have accepted the terms and conditions of said act and surrendered and given up to the city of New Orleans for cancellation the said water-works bonds and obligations of
66 the said city of New Orleans so by said subscribers and shareholders given to the said city of New Orleans in exchange for their said shares of said water-works stock.

14. And your orator further shows unto your honors that the only exception contained in said act incorporating your orator, wherein and whereby your orator was not entitled and authorized to furnish the entire public water supply brought into the said city of New Orleans in pipes and conduits, was the reservation made in favor of those per-

sons in the said city of New Orleans who owned and occupied property contiguous to the Mississippi river, which said persons are by the reservation contained in the eighteenth section of said act of 1877 affected thereby, the said section providing that nothing in said act shall be construed so as to prevent the said council from granting to any person or persons contiguous to the river the privilege of laying pipes to the river exclusively for his own or their own use; and your orator saith that in and by said reservation it was only intended to leave in the power of the council of the city of New Orleans so much power as would permit them to grant the right of laying pipes to the river, as set out in said section, only to such persons as owned and occupied property immediately on the bank of the river, with riparian rights reaching to the river, and was not intended nor can the same be lawfully construed as giving or reserving the power of the council of the city of New Orleans to grant the right to lay down such pipes to any person or persons occupying or owning property or premises not so situated.

67 15. And your orator further shows unto your honors that it would have been unable to place or negotiate the said bonds or borrow the said money, nor would the shareholders in said company have ever given up or surrendered the obligations of the city of New Orleans by their exchange for said property in said water works and shares in said company if they had not believed and been advised that they acquired the exclusive right so granted your orator, and that if such had been the popular belief in the money market your orator, the subscribers to the capital stock of said company, would never have been able to comply with or carry out the provisions of said act of incorporation, and that if the shareholders and subscribers to the capital stock of the complainant corporation had for one moment believed that the city of New Orleans could lawfully claim or in good conscience exercise under the provision of said section eighteen of the said act of incorporation any right or power to grant to any persons the right or privilege of laying pipes to the river and obtaining their water supply therefrom, except as provided on the face of said section eighteen, where the property actually touched or ran down to the waters of the Mississippi river, your orator would never have exchanged the obligations of said city for said water-works property or stock, and would in all things have been unable to have borrowed the money or secured the means to extend said water works and enlarge the same and comply with the provisions of said act, under which your orator

68 is incorporated and acquired said works; and your orator files herewith a copy of the said act of Legislature incorporating said complainant, with all the amendments thereto, and makes the same a part of this bill of complaint.

16. And your orator further shows unto your honors that the said city of New Orleans, having received, for the purchase price of said water works and of the rights acquired by said city from the said Commercial Bank of New Orleans, the full value thereof in its own obligations, otherwise payable in cash at the maturity thereof, and having received also the said shares of the capital stock of the com-

plainant corporation without having paid any cash consideration therefor, and the said shares of stock so delivered to the said city of New Orleans being by law stamped with a special property value and character in the hands of the city of New Orleans, whereby the said city of New Orleans was and is entitled to and has exchanged the same at the par value of one hundred dollars per share, for other obligations constituting the bonded and floating debt of the city of New Orleans, to the full face value of said shares, and being so situated, not only as the warrantor to your orator of the character, quality, and extent of said property so conveyed, but also holding such relations to your orator that even after she shall have parted with the last share of the stock so delivered to the said city of New Orleans and shall have parted with her entire interest in said corporation as a shareholder, yet by the terms of said act your orator is compelled, as a corporation, to concede to the said city of
69 New Orleans the said number of directors charged with the management of the affairs of your orator, to be nominated, appointed, and designated by said city of New Orleans, and when so appointed and designated in a number sufficient to control the acts of the said board of directors and to put itself in the position of assuming to control and to actually control the property and operations of said company without in fact possessing, holding, or representing a single share of the capital stock thereof, was bound in law, equity, and good conscience to observe full faith in all of its said obligations, and bound to abide by a strict and equitable construction thereof, and to in all things in conscience and care avoid the perpetration of any wrong or injustice which should impair the property of your orator or the shareholders therein or throw or cast any cloud upon the property, rights, and franchises conveyed to your orator for a valuable consideration, in all things fully equal to the actual money value thereof, and should warrant and defend your orator in the full and complete exercise of all said rights, privileges, and enjoyment of the property so conveyed to your orator as aforesaid.

17. And your orator further shows unto your honors that the said city of New Orleans did, with reasonable good faith, execute and carry out her said duties and obligations as aforesaid until the adoption of the constitution of 1879; that by virtue of the provisions of section ten of article one of the Constitution of the United States and by reason of the premises and of the peculiar relation of the
70 said city of New Orleans to your orator and the conditions and circumstances under which your orator acquired from the city of New Orleans the said rights in said water works your orator was protected by the said Constitution of the United States from any impairment or breach of the said obligations of the State of Louisiana either as a State or the said city of New Orleans as a municipal government charged with the control or management of the local affairs of the city of New Orleans, and has the right to demand in all respects and particulars a full and complete observance of said contract and obligation, both by the State of Louisiana and the said city of New Orleans, and is entitled to the aid of this hon-

able court in the protection thereof, and claims the right guaranteed to it in that respect and behalf by the Constitution and laws of the United States.

18. And your orator further shows unto your honors that immediately after the adoption and promulgation of the said constitution of the State of Louisiana known as the constitution of 1879 the said council of the city of New Orleans, in bad faith and with *interest* to injure and wrong your orator and to destroy the value of the property so conveyed by the said city to your orator and to disregard, ignore, and render of no avail their said warranty of title and right to said water works and franchises to your orator, cast about for some excuse for bad faith and a disregard of its said obligation of warranty, and immediately asserted and now asserts and pretends that certain provisions in the said constitution of the State of Louisana adopted in 1879, although adopted long after all of the matters
71 hereinbefore set forth had become accomplished facts and the rights of your orator in said property had vested, have the effect to absolutely destroy and cut off all the rights of your orator to furnish and provide a public water supply for the city of New Orleans to the exclusion of all other persons, but also pretend and assert that by reason of the provisions contained in said constitution said city is absolved from all of its obligations so entered into and is at liberty to levy war upon your orator and undermine and destroy its property unrestrained by any rule of law, by any equity or good conscience, and now claims and pretends that the said city of New Orleans, through its council, has the right and can lawfully grant to any person occupying any premises in the city of New Orleans not contiguous to the Mississippi river or its banks the right to lay down and construct for themselves pipes, conduits, and mains running from the Mississippi river to any lot, block, or establishment in any part of the city of New Orleans, and thereby take away from your orator, the right of your orator to furnish said supply and receive pay and re*ume*ration therefor.

19. And your orator further shows unto your honors that the said defendant is engaged in carrying on the manufacture of malt liquors in a large brewery owned or operated by the said defendant in the city of New Orleans, on Villere street between Toulouse and St. Louis streets, and in the manufacture of said malt liquors uses a large quantity of water; the precise quantity used your orator is unable to state and asks discovery; that the said brewery is a very large establishment and consumes a large amount of water,
72 and will, as your orator is informed and believes, continue in operation and in the use of water in the manufacture of malt liquors and other purposes during the whole period of its chartered existence.

20. That in or about the month of October or November, 1884, the said defendant, pretending to act under authority of an ordinance of the city of New Orleans, the adoption of which was solicited and procured by the said defendant, made and constructed a pipe from the Mississippi river, commencing at the river near the line where Toulouse street if extended would touch the river, and carry-

ing said pipe on, along, and through Toulouse street to its said premises on Villere street, and for and during the entire period that has elapsed since the construction or laying down of said pipe has by some pumping machinery or other device led and drawn from the Mississippi river to its said premises and brewery the water supply used in said brewery for the manufacture of malt liquors and for other purposes, in violation of the rights of your orator and the terms and conditions of the charter and grant so made unto your orator as aforesaid, wherein and whereby your orator became and was and is vested with the exclusive right to furnish unto said defendant on and in its said premises the entire water supply used in and on said premises drawn from the Mississippi river through pipes or conduits or by means of pumping machinery.

21. That said wrongful act was done by the said defendants without the assent or permission and against the will and protest of your orator; that your orator is informed and believes that the said defendant pretends to have derived some authority, license, or
73 permission from the corporate authorities of the city of New Orleans to lead said pipe from the river to its said premises and supply itself with water through said pipe. But your orator charges that the said city of New Orleans and the authorities thereof are and were wholly without authority to grant any such license or confer upon the said defendant any such privilege or warrant to lay and use said pipe or main from the Mississippi river to its said premises as aforesaid.

22. And your orator further shows unto your honors that the said premises whereon said brewery is situated is not contiguous to the waters of the Mississippi river or the banks thereof, nor does the property upon which the same is erected extend to the Mississippi river, nor does the said defendant own or possess the property lying between its said premises on Villere street and the Mississippi river, but, on the contrary thereof, the same is situated at or near the middle of the city, and that six or seven blocks or streets at least intervene and lie between said brewery and the nearest point on the Mississippi river.

23. And your orator further shows unto your honors that the said city of New Orleans and the said defendant pretend that the city has the lawful right to disregard its obligation and commit and effect said breach of good conscience of its contract of warranty and its obligation growing out of the premises for and by reason of the provisions contained in the constitution of the State of Louisiana as adopted in the year 1879, and particularly in the 258th article thereof, and claim and pretend that by reason of said provis-
74 ions and enactments in said State constitution the said city is absolutely absolved from all observance of the terms and conditions of its contract obligation and all obligations which in equity and good conscience are imposed upon and should be observed by said city of New Orleans by reason of the premises, and that said defendant joins with the said city of New Orleans in asserting the said alleged right of the city of New Orleans to disregard its said obligation and the Constitution and laws of the United

States and to practically confiscate in the hands of said shareholders of the said water works company, your orator, their property therein acquired by them in an honest exchange of the existing debts and obligations of the city of New Orleans, which, but for the act of the said shareholders in exchanging said bonds and obligations for said shares in said water works company, the said city of New Orleans would have been compelled to pay, with the interest thereon, in money.

24. And your orator further shows unto your honors that it is advised, informed, and believes that the said complainant in law and equity and good conscience ought to be protected from such wrong and fraudulent acts by the provisions of the Constitution of the United States and the settled adjudications of the Supreme Court of the United States construing and applying said provisions of the Federal Constitution.

75 Your orator further shows unto your honors that although the holders of the bonds of the city of New Orleans who surrendered their bonds in exchange for shares in the water works company are in worse condition financially than they would have been if they had retained their bonds (the market value of the bonds not surrendered being at all times higher than the market value of the water-works stock and the interest due on the outstanding bonds of the city of like character to those surrendered greater than any dividend that has or can be declared or divided to the shareholders from the earnings of the company), yet, notwithstanding this, every device that could be bred of bad faith and unfair dealing has been resorted to to injure the shareholders and further depreciate their property invested in said shares.

That as the charter was first framed and conditioned by the first act of the Legislature (the act of the extra session of 1877) it was of no avail to the city as a means of retiring part of its funded debt, for the reason that the terms of the law were so severe as to the amount of enlargement and improvement to be made to the water works that no bondholders would surrender their bonds in exchange for interest or shares in the water works, section 13 of the act requiring the construction, practically, of new works and pipes. The city of New Orleans, finding that it could not dispose of the water works under the terms of the act during the succeeding year, 1878, applied to the State Legislature to modify the terms of the charter and change the condition bearing upon any company that should

76 organize under the act into such form as to make the act available for the purpose of reducing the funded debt of the city as originally designed and intended.

The Legislature, by an act approved February 26th, 1878, being act No. 43 of the act- of that session, passed and adopted an entire change in the terms of the charter of 1877 in respect of the burdens to be imposed on any company organized under the act, and amended section 13 of the act so as to define and declare what was intended by the terms "full and adequate supply of water," referred to in said section 13, and declared that the said language as used in said section 13 should be construed only to re-

quire a supply of water at the height*h* of fifteen feet from the ground wherever the pipes of the water works existed at the date of the passage of said amendatory act, thereby only imposing upon any company that might avail itself of the act, as amended, the obligation to put the then existing machinery, reservoirs, pumps, mains, and pipes in such state of repair as to be able to effect the distribution of water with a hydrostatic pressure equal to a column of water of a height*h* of fifteen feet from the surface of the ground. The act, with this modification and amendment, was accepted by the holders of city bonds, who surrendered the requisite amount in bonds for exchange into the requisite amount of shares of stock to effect the organization of corporate existence under the charter.

That as the act of 1877 stood before amendment by the act of 1878 aforesaid in the 11th section thereof there was embodied an express contract that the city of New Orleans, in consideration
77 of the total exemption of the franchises and property of the water works company from all taxation, State, parochial, and municipal, shall be allowed to have the right to use, free of charge therefor, water (1) — the extinguishment of fires; (2) the cleansing of streets; (3) for the use of all public buildings, public markets, and charitable institutions of every kind then existing.

The number of hydrants which the company was obligated to provide for the purposes aforesaid was limited to two hydrants for each block where a main pipe was laid. The act of 1878 changed, by amendment, this contract by striking out the word "State," so as to leave the contract in form to exempt the water works company, not from State taxation, but from all other taxation whatsoever as a consideration for supplying water to the city specified at a pressure caused by force enough to raise water fifteen feet from the ground. The contract was in this form when the act and charter were accepted by the shareholders and a corporation created.

That the city of New Orleans had no sooner disposed of the said water works as aforesaid than it entered upon a course of extreme bad faith and asserted a right to tax the property of your orator, notwithstanding said contract, and it assessed against your orator a municipal tax upon the alleged valuation of your orator's property in the water works for the year 1881 and instituted suit against your orator to recover the same, and did recover against
your orator the full amount of said tax, the court dividing
78 upon the question whether said exemption from taxation was the sole or a part consideration for furnishing public water supply, the bare majority of the court holding that it was not the entire consideration for water supply, and that the city of New Orleans must pay to your orator each year for water supplied as provided in the charter a sum equal to the amount of municipal taxation levied and collected by the city from your orator for that year, leaving the relation between the city of New Orleans and your orator involved in much uncertainty as to the exact contract relations and as to the exact amount of provision to be made in each annual estimate or budget of the city for the payment of the claim and debt due to your orator in the condition of affairs in which the

courts had left the construction of the charter of your orator in relation to said public water supply.

That if the water supply required by the city of New Orleans had remained limited to the supply as provided in the charter of the water works company it was in all things competent, as your orator is advised, for the city of New Orleans to settle by contract and convention the amount to be paid to your orator for water supply in place of the consideration of exemption from taxation impeached by the act and motion of the city, and no action of the Legislature of the State was necessary to authorize such liquidation of municipal liability or to render the amount to be paid by the city definite in amount by contract. But the truth is that the city of New Orleans required and demanded more water for public use than your orator was by law and the terms of the contract contained in its
79 charter required to furnish under the provisions of its charter; and to that end, on or about the 4th day of October, 1884, the city of New Orleans entered into a contract with your orator for a very different service of public water supply, different from the service provided for in your orator's charter, a copy of which said contract is herewith filed, marked "Exhibit X," and made part of this bill, by which it will and does appear that in lieu of two hydrants for each block the city demanded as many hydrants as it might elect to demand; also water for the use of the public schools (not public buildings in the sense in which that term is used in the charter) and for all charitable institutions to be instituted in future. The city also demanded and obtained in said contract the power to order the change and location of any and all hydrants, fire-wells, at the will of the city at the cost and expense of your orator. Water supply was also further required by the city for free distribution by the city to all persons residing outside of the area covered by the pipes and mains of your orator in case of drought, the area of the city and the number of people residing outside of the territory covered by the pipes and mains of your orator then being and still is very large; and, further, instead of a pressure equal to the weight of a column of water fifteen feet in height, the city of New Orleans desired a pressure equal to a column of water fifty feet in height to be maintained from the hours of 7 a. m. to 6 p. m., with reservoir supply in store between these hours at night of increased measure, requiring such additions to the works of your orator as would supplement its reser-
80 voir supply, so that in case of accident it might be adequate to any possible contingency of the supply of water at a head of fifty feet, all of which additions were in excess of the obligations imposed on your orator by the terms of its said charter and involved your orator in great additional expense in increasing the strength and capacity of the works, largely increased consumption of fuel, and increased losses from leaks and wastage by its other consumers communicating with its system and taking supply from the same mains and pipes, being in all things a different and larger supply of water for public use than any statute condition of the charter had ever imposed on your orator as a condition or consideration

for exemption from municipal taxation, and requiring water to be delivered at more than three times the pressure required by law.

Your orator shows unto your honors that the government of the city of New Orleans had, as your orator is informed and believes, full authority under the charter of the city to make provision for such increased public water supply in such form, without any further legislation by the State, and that it was fully within its power and in the line of the duty of said city government to make such provision and enter into such contract with your orator; yet the Legislature of the State, believing that the consideration for supplying the city of New Orleans with water free rested solely on the consideration of exemption from municipal taxation, on the 7th of July, 1884, passed and promulgated an act of Legislature,
81 duly approved, being act No. 56 of the acts of 1884 (which said act or a copy thereof is filed with this bill as an exhibit and made part hereof, marked "Exhibit Z"), the fifth section thereof providing that nothing in the act should be construed as in any manner affecting any rights, franchises, or privileges of your orator, but that all of the same shall remain intact and unaffected thereby; that said act conferred or granted no rights or privileges on your orator, nor did it in any manner enlarge the power of the city of New Orleans in dealing with your orator concerning public water supply, as your orator is informed and believes; yet the defendant herein and others *who* seized upon the said act, from the fact that the contract aforesaid between the city of New Orleans and your orator had been made, as excuse for wronging and injuring your orator and invading its rights, not only pretending that your orator has no right to the exclusive rights granted in its charter by reason of the article of the constitution of 1879 to which your honors have been referred, but also pretending that, by reason of the provisions of some other article of the constitution, act No. 56 of the acts of 1884 is null and void by reason of various alleged vices, averring that the title is defective, that the act is double and deals with more than one subject, and that the same is unconstitutional by reason of the 5th section thereof, providing that the rights and franchises of your orator are not to be affected by said legislation. At other times they pretend that by reason of the said act and said contract and of article 234 of the constitution of 1879 your orator has lost the rights granted to it in its charter, if any such were ever granted, and that by reason thereof the defendants have lawful right
82 to invade and disregard the rights of your orator with the exclusive right to furnish water to the inhabitants of the city of New Orleans as granted in said charter.

Your orator shows unto your honors that said act, whether it be valid or not, was in fact an act relating to the powers of the city of New Orleans and did not alter or change the charter of your orator, nor was it necessary to authorize the execution of the said contract with the city of New Orleans relative to said increased public water supply; that if it be true that the act is unconstitutional, null, and void, it is of no effect for any purpose whatsoever, and cannot affect

either the city of New Orleans, your orator, or any controversy, and in all things stands as it had never been written.

Your orator further shows unto your honors that if the effect of said article of the constitution or any other provision of the said constitution of 1879 is to make an act of the character and description of said act No. 56 of the acts of 1884, adopted with the reservation and condition contained in section 5 thereof, destructive of any of the contracts and rights granted to your orator as a corporation, your orator is advised and so avers and insists that the said article No. 234 of the said constitution of the State, as adopted in 1879, and all other parts and portions of the said constitution construed or capable of construction to produce such result, are to that extent null and void and repugnant to the Constitution of the United States and in all things impair the contract between the State and your orator as contained in its said charter adopted and accepted long before said adoption of said constitution.

And your orator prays that your honors will so adjudge and decree, and adjudge that the defendants have no right to invade and destroy the rights, privileges, and franchises of your orator by reason of said contract with the city of New Orleans, or by reason of anything contained in or any effect flowing from said act No. 56 of the acts of 1884, and that said matters and pretenses aforesaid make and constitute no defense against the action of your orator.

83 25. And your orator further shows unto your honors that the said defendant, from and since the date of the laying down of the said pipe from the Mississippi river to its said premises extending along and through Toulouse street, has been constantly engaged in supplying itself with water pumped or forced through said pipe, and has established a machine or device for forcing or drawing water through said pipe, and has in that manner obtained its supply of water used in said brewery for all purposes.

26. And your orator further shows unto your honors that your orator has on and along the said streets adjacent to the said premises occupied by the said defendant as a brewery adequate and sufficient pipes and mains connected with and forming a part of its system of water distribution and water works for the supply of the inhabitants of the city of New Orleans in all things adequate and sufficient to deliver to said defendant on said premises any amount of water required or used by the said defendants and its operations as a brewery or in the business carried on on said premises, and that your orator has at all times had the lawful right to deliver to and on said premises any and all amounts of water delivered on said premises or used thereon reaching said premises through pipes, conduits, or through the instrumentality of pumping machinery or other device, and was at all times entitled to have and received a due and proper renumeration therefor; that your orator has no means of ascertaining exactly the amount of water delivered on said premises and used and expended on said premises through the operations of the said defendant, and is un-

84 able therefore to state with exactness the amount of remunera-

tion or pay that it should receive and be paid by the said defendant for the water supply on said premises. But your orator shows unto your honors that it has reason to believe and does believe that the price which your orator would have earned and should receive for the water pumped or carried from the Mississippi river to said premises since the date when said pipe was laid down and put into operation by the said defendant far exceeds the sum of $5,000, and that if said pipe is permitted to remain and be used by the said defendant for the supply of said premises with water without remuneration or the consent of your orator, or during the lifetime of the charter of the said defendant, or during the period of the future operations of the said defendants as brewers, and of the said premises as a brewery, the pecuniary loss of profit and damage resulting to your orator will amount to a further sum largely in excess of the amount above stated.

27. That unless restrained by the due and proper order of this honorable court the said defendant will continue to draw its water supply through said pipe and main, in utter disregard of the rights of your orator in the premises, and of the right, privilege, and franchise of your orator to supply said water to said premises during the lifetime of the charter of your orator and during the period which it is lawfully entitled to supply by the terms of said act of Legislature of said State, to the great pecuniary loss and damage of your orator and to the encouragement of other evil-disposed persons.

85 28. And your orator further shows unto your honors that the surrender of the said obligations of the city of New Orleans, and the exchange thereof into and for the shares of stock in said New Orleans Water Works Company, subject to the said conditions of said charter, has been far from profitable to the said shareholders of said company. The market value of said shares are not at par and your orators have never earned or divided among its shareholders a sum equal to ten per cent. on the amount of said shares or the cost of said water works to the shareholders and to your orator, and has little prospect from present indications of being able to so declare or make a dividend equal to ten per cent. on the capital stock of the company during the existence of its chartered rights; that if the said pretended power of the city of New Orleans to grant rights to private parties and corporations to lay down pipes and mains on property not adjacent to or lying immediately on the river and draw through said pipes their said supply of water, without regard to the rights of your orator, is held to be valid and lawful, your orator's rights and property in said water works will become practically confiscated and of no value, and the shareholders in said company will have received practically no value whatsoever for the said obligations of the said city of New Orleans so surrendered and exchanged by them for said property.

29. And your orator avers that the said acts of the city of New Orleans is a fraud upon the rights of your orator, and that said defendant had at all times full knowledge of the rights of

86 your orator in the premises, and that the said act of the city

of New Orleans was fraudulent, in bad faith, and contrary to law; yet, unless restrained by the order, injunction, and decree of this honorable court, the said defendant will continue to avail itself of the said pipe or conduit so laid down as aforesaid and operate the said pipe or pipes to procure the entire supply of water consumed on said premises during the period of the lifetime now remaining to your orator as a corporation and cause your orator a continual pecuniary loss and injury during the whole of said period.

30. That your orator is remediless in the premises in a court of law, and therefore applies and appeals to this honorable court sitting in equity, having peculiar and full powers in this behalf, jurisdiction in the premises by virtue of the premises and the constitution and laws of the United States, and that all said actings and doings of the said defendant are contrary to equity and good conscience, and tend to the manifest wrong, injury, and oppression of your orators in the premises.

Therefore, to the end that the said defendant, if it can, show why your orators should not have the relief herein and hereby prayed for, your orator prays that the said defendant may, according to the very best of its knowledge, remembrance, information, and belief, full, true, direct, and perfect answer make to the premises, the oath of the said defendant to said answer being hereby waived;

87 that after due proceedings had may it please your honors to grant unto your orator the writ of injunction, both provisional and perpetual, enjoining the said defendant, both its agents, servants, and attorneys, and all manner of persons associated with it in the conduct, management, and operation of the said premises and the said brewery, that they desist and refrain from laying, constructing, making, using, or causing to be laid, constructed, made, or established any pipe, pipes, conduits, or mains from any point on the Mississippi river or from any other waters to the said premises so occupied by the said defendant as a brewery, and from using or continuing to use for the purpose of procuring a water supply for use on said premises any pipe or main now laid, made, or in existence leading from the Mississippi river to said premises, and from drawing, pumping, leading, or causing to be drawn, pumped, or led through such main, pipe, or conduit by or through the instrumentality of pumping machinery or any other device any water or water supply to be used, consumed, or stored in and on said premises so occupied by them, or in or on any other premises for subsequent use as a water supply to be consumed on said premises for the purposes of manufacture or for any other purpose, from setting up or pretending to receive or derive any authority for laying, continuing, or using any pipe, main, or conduit under and by virtue of any legislation or pretended legislation or ordinance of the city of New Orleans made, adopted, or promulgated at any time since the date when your orator acquired said water works as aforesaid, and from having or receiving a water supply on said premises reaching or being

88 taken to said premises through pipes, conduits, or mains, or by or through the instrumentality of pumping machinery, during the continuance of the right of your orator and its lifetime under

its charter, from any other source than from the pipes, mains, and conduits of your orator, and that the said defendant be decreed to come to a just, full, and exact account of all the water which it has pumped or caused to be pumped or led to said premises by or through the said conduit or main running from said premises to the Mississippi river during the whole of the period for which said pipe has been in use, and so used by the said defendant as a source of water supply to said premises, and that when ascertained your honors decree unto your orators full and exact remuneration and pay therefor in such sum and at such rate per thousand gallons as shall be found to be the schedule established rate of renumeration due to your orator to be arrived at when by discovery it shall be ascertained exactly what supply of water has been by the said defendant drawn through said pipe and used on said premises.

And may it please your honors to grant unto your orator the most gracious writ of subpœna of the United States of America, directed to the said Southern Brewing Company, commanding the said defendant, on a day certain, under a certain penalty therein to be specified, personally to be and appear before your honors in this honorable court and then and there answer all and singular the premises and stand to, perform, and abide such order and decree therein as — your honors shall see- meet and just, and grant
89 your orator such other and further relief in the premises as shall seem meet and agreeable to equity and good conscience and the nature of the case may require.

And your orator will ever pray, etc.

(Signed) R. L. MACMURDO,
Sec'ty & Treas'r. [SEAL.]

(Signed) J. R. BECKWITH,
Sol. and Counsel for Complainant.

EASTERN DISTRICT OF LOUISIANA, *ss:*

L. H. Gardner, being duly sworn, deposeth and saith that he — superintendent of The New Orleans Water Works Co., complainant; that he knows the contents of the foregoing bill of complaint; that the same is true except as to such matters as are therein set forth on information and belief, and that as to all such matters he verily believes the same to be true as therein set forth.

(Signed) L. H. GARDNER.

Sworn to and subscribed before me this 15 May, 1886, at New Orleans, La.

[SEAL.] (Signed) A. S. BECK,
Notary Public.

(Sig.) R. L. MACMURDO, [SEAL.]
Sec'ty & Treas'r.

90 *Marshal's Return.*

On the 23rd day of October, 1886, I served a true copy of the within amended bill on the Southern Brewing Company by hand-

ing the same to Mr. Alfred Goldthwaite, solicitor for said Southern Brewing Company, and handing the same to him in person.

(Signed) R. B. PLEASANTS,
U. S. Marshal, Eastern District of La.
JNO. BAKER,
Deputy U. S. Marshal.

Contract, marked "Exhibit X," filed with amended bill October 21, 1886, and copied at page 37 of this transcript.

Act No. 56, marked Exhibit "Z," filed with amended bill October 21, 1886, and copied at page 34 of this transcript.

Plea and Answer to Amended Bill. Filed November 9, 1886.

91 U. S. Circuit Court, Eastern District of La. In Equity.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

The plea and answer of The Southern Brewing Company, the defendant, to the amended bill of complaint of The New Orleans Water Works Company, complainant.

This defendant, by protestation, not confessing or acknowledging all or any of the matters and things in the said complainant's amended bill of complaint mentioned and contained to be true in such sort, manner, and form as the same are therein set forth and alleged, for plea to the whole of said amended bill says that by and under the articles 248 and 258 of the constitution of the State of Louisiana adopted in 1879 the monopoly features in the charter of every incorporation now existing in the State, save such as may be contained in the charters of railroad companies, have been abolished, and that under article 234 of said constitution the General Assembly was and is prohibited from passing any general or special law for the benefit of corporations except upon the condition that such corporation should thereafter hold its charter subject to the provisions of the constitution of 1879; that under article 48 of said constitution it is made the duty of any one applying or about to apply for the passage of a local or special law on any subject not enumerated in article 46 of
92 said constitution to give notice by due publication for at least thirty days prior to its introduction in the General Assembly; that special legislation under said article No. 48 was applied for and obtained by the complainant, The New Orleans Water Works Company, as will appear by reference to act No. 56 of the acts of 1884; all of which articles of the constitution of Louisiana and act No. 56 of the acts of 1884 are specially referred to and made parts of this plea and answer as fully as if copied *in extenso* herein; that subsequent to the passage and approval and promulgation of the aforesaid act No. 56 of acts 1884 an ordinance known as No. 909, council series, of the city of New Orleans, which is attached as an

Exhibit A to the plea filed to the original bill of complaint in this cause, and is referred to in this plea, to be used in the trial of this cause, was adopted, approved, and promulgated, and under said ordinance a contract was entered into by and between the city of New Orleans and the said The New Orleans Water Works Company whereby the New Orleans Water Works Company have received and accepted the full benefit of act No. 56 of the acts of 1884. A duly certified copy of said contract is attached as Exhibit B to the plea heretofore filed to the original bill of complaint in this cause, and is specially referred to and made a part of this plea, to be used on the trial of this cause. The defendant alleges that the contract between the city of New Orleans and the New Orleans Water Works Company, on the one side, and between the New Orleans Water Works Company and the State of Louisiana, on the other side, created by and arising under the
93 act No. 33 of the extra session of 1877 and the amendatory act No. 43 of 1878, and all rights and contracts which may have been transferred or assigned to the said The New Orleans Water Works Company under any legislative previous thereto, have been by consent of the parties thereto, and particularly by the consent of the New Orleans Water Works Company, modified, altered, and changed so as to effect a surrender by the said The New Orleans Water Works Company of the monopoly features theretofore granted to said corporation and the exclusive privilege of supplying the city of New Orleans and its inhabitants with water from the Mississippi river or any other stream or river by means of pipes or conduits and for erecting and constructing any necessary works or engines or machines for that purpose; that said consent was voluntary; that the said special legislation, as appears by act No. 56 of acts 1884, was applied for and obtained by the active energy of the said The New Orleans Water Works Company, and that the said corporation has been benefitted and is bound thereby.

Therefore this defendant doth plead the said articles of the constitution of Louisiana above enumerated, the act of the General Assembly known as act No. 56 of acts 1884, the ordinance No. 909, council series, of the city of New Orleans, and the contract between the city of New Orleans and the New Orleans Water Works Company dated October 3, 1884, to the said complainant's amended bill of complaint; and now, for answer to so much and such part of said amended bill of complaint as specially charges fraud or combination and for answer to any facts therein stated upon
94 which said charge of fraud or combination is made on the part of the defendant corporation or in connection with any one, this defendant corporation specifically denies the same and requires strict proof thereof; and, further, avers that the evidence to the facts contained in its plea is to be found in the constitution and the public acts of the State of Louisiana and the city ordinance and notarial act herein referred to and in the records of this cause.

And defendant prays the judgment of this honorable court whether

it should further answer be compelled to make to said amended bill, and prays to be hence dismissed with its reasonable costs.

(Signed) PET. BLAISE, *Pres't.*

[SEAL.] (Signed) A. GOLDTHWAITE,
Sol. for Defendant.

I hereby certify that in my opinion the foregoing plea is well founded in point of law.

(Signed) A. GOLDTHWAITE,
Sol'r for Defendant.

THE STATE OF LOUISIANA, }
City of New Orleans. }

Personally appeared before me, the undersigned authority, Peter Blaise, who, being duly sworn, says that he is the president of The Southern Brewing Company, defendant in the above-entitled cause, and that the foregoing plea and answer is true in point of fact, and that it is not interposed for delay.

95 Dated at New Orleans this 9th day of November, 1886.

(Signed) PET. BLAISE.

Sworn to and subscribed before me this 9th day of November, 1886.

(Signed) GEO. PRÉOT, [SEAL.]
[SEAL.] *Not. Pub.*

Motion and Order to Enter Plea and Answer in Order Book. Entered and Filed 4 December, 1886.

U. S. Circuit Court, Eastern Dist. of La. In Equity.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

On motion of A. Goldthwaite, Esq., solicitor for defendant corporation, and on suggesting to the court that the plea and answer of defendant corporation to the amended bill was filed in the clerk's office on November 9th, 1886, but through inadvertence the same was not entered in the chancery order book, and nothing having been done in said cause since said date—

It is ordered by the court that the clerk be directed to enter the said plea and answer on the chancery order book as of date
96 the 9th day of November, 1886, making on the said order book a memorandum of this order.

Dec. 4, 1886.

(Signed) EDWARD C. BILLINGS, *Judge.*

Entry as to Filing of Plea to Amended Bill.

Extract from the Chancery Order Book.

SATURDAY, *December* 4, 1886.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

As directed in order of court of this date in the above-entitled cause, on motion of A. Goldthwaite, solicitor for the defendant, suggesting to the court that the plea and answer of the defendant corporation to the amended bill was filed in the clerk's office on November 9, 1886, but through inadvertence the same was not entered on the chancery order book, and nothing having been done in said cause since said date, the following entry is now made as of date of November 9, 1886:

The Southern Brewing Company, defendant herein, by its solicitor, Alfred Goldthwaite, Esq., has this day filed its plea and answer to the amended bill of the complainant herein.

97 *Replication. Filed December* 11, 1886.

Circuit Court of the United States, Eastern District of Louisiana. In Equity.

The replication of The New Orleans Water Works Company, complainant, to the plea and answer of The Southern Brewing Company, defendant. No. 11351.

This repliant, saving and reserving unto itself all and all manner of advantage of exception to the manifold insufficiencies of the said plea and answer and insisting that the said paper is answer and no part thereof plea, for replication thereunto saith that it will aver and prove its said bill to be true, certain, and sufficient in law to be answered unto, and that the said pleading of said defendant is uncertain, untrue, and insufficient to be replied unto by this repliant—

Without this, that there is any other matter or thing in said plea, answer, or pleading contained or set forth material or effectual in law to be replied unto, confessed, avoided, or traversed or denied is true.

All of which matters and things this repliant is and will be ready to aver and prove as this hon. court shall direct, and humbly prays as in and by its said bill it hath already prayed.

(Signed) J. R. BECKWITH,
Solicitor for Complainant.

98 *Motion and Order to Fix Plea.*

Extract from the Minute Book, November Term, 1886.

NEW ORLEANS, TUESDAY, *February* 1, 1887.

Court met pursuant to adjournment.
Present: Hon. Edward C. Billings, district judge.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

On motion of A. Goldthwaite, Esq., solicitor for defendant, it is ordered that this cause be set down for hearing on the sufficiency of the plea filed to the amended bill of complaint on Tuesday, the 15th day of February, 1887, at 11 o'clock a. m., before both judges, and that complainant be notified.

Motion for Injunction Pendente Lite. Entered and Filed 2 *February*, 1887.

Circuit Court of the United States, Eastern District of La.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING CO. } No. 11351.

99 On motion of J. R. Beckwith, solicitor for complainant, and on suggesting to the court that the questions involved and the equities to be considered are the same in this cause as in the cause of The New Orleans Water Works Co. *vs.* The Louisiana Electric Light and Power Co., and that, such difference in defendants, the bills are substantially alike, it is ordered that the defendant herein show cause on the 15th of February, 1887, at 11 o'clock a. m., why an injunction *pendente lite* should not issue in this cause as prayed for in the amended bill, and that the cause be heard with the motion in the case of this plaintiff against the Electric Light Company fixed for that day and hour.

Marshal's Return.

Rec'd Feb'y 3rd, 1887, and on the same day, month, and year I served a true copy of within motion as follows: Southern Brewing Company, by handing the same to Mr. Peter Blase in person, president of said company, at his office of said company, in the city of New Orleans.

R. B. PLEASANTS,
U. S. Marshal,
By D. J. DELANEY,
D'y Marshal.

Hearing and Continuance of Rule.

Extract from the Minute Book, November Term, 1886.

100 NEW ORLEANS, *February* 15, 1887.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge.
Present: Hon. Edward C. Billings, district judge.

NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

This cause came on to be heard before the circuit and district judges upon the application of the complainant for an injunction *pendente lite* and upon the defendant's plea to the complainant's amended bill of complaint herein—J. R. Beckwith and Blanc & Butler, for complainant; Alfred Goldthwaite, Esq., for the defendant—and, after hearing argument from counsel, the court ordered the cause to go over until to-morrow, at 11 a. m., for further argument.

Admission of Insufficiency of Defendant's Plea Set Down for Hearing. Filed Feb'y 15, 1887.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

101 The defendant herein having voluntarily, of its own motion, taken issue on the sufficiency of its plea herein by setting the same down for hearing on its sufficiency on the record by formal entry on the minutes of the court and by giving notice thereof and fixing a day for the hearing thereof, the said complainant, by J. R Beckwith, its solicitor, comes and saith that he will not contend that the defendant's said plea herein is sufficient in law, but, on the contrary, the complainant admits that said plea is insufficient both in law and in form, and that the same does not nor does any matter therein bar the said complainant's action or in any manner affect the same.

(Signed) J. R. BECKWITH,
Solicitor for Complainant.

Note of Evidence. Filed 15 *Feb'y*, 1887.

U. S. Circuit Court., Eastern District of La.

WATER WORKS COMPANY
vs.
BREWING COMPANY. }

In this case, for the purposes of the motion for injunction, the complainant submits the record and exhibits filed with amended

bill, the bills and final decrees in the cases of Water Works Co. *vs.* Rivers and Same *vs.* St. Tammany Water Works Co., Nos. 10031 and 10560 of the docket of this court, and city charter of New Orleans.

(Signed) J. R. BECKWITH,
Sol. for Complainant.

Exhibit X, filed with amended bill, referred to in note of evidence and copied at page 37 of this Transcript.

Exhibit Z, filed with amended bill, referred to in note of evidence and copied at page 34 of this Transcript.

Bill of Complaint. Filed July 24, 1882. *Referred to in Note of Evidence.*

NEW ORLEANS WATER WORKS COMPANY
versus
ST. TAMMANY WATER WORKS CO. *et al.* } No. 10031.

To the honorable the judges of the circuit court of the United States in and for the fifth judicial circuit and eastern district of Louisiana:

The New Orleans Water Works Company, a corporation duly created and existing under and by virtue of the laws of the State of Louisiana and domiciled in the parish of Orleans, in said State, brings this its bill of complaint against the city of New Orleans, a municipal corporation created and exercising its authority under and by virtue of the laws of the State of Louisiana, situate in the parish of Orleans, in the said State, and against the St. Tammany Water Works Co., a corporation claiming corporate power and authority under and by virtue of the laws of the State of Louisiana providing for the organization of corporations and domiciled in the said parish of Orleans.

And thereupon your orator complains and shows unto your honors that the Legislature of the State of Louisiana, by an act thereof approved on the 1st April, A. D. 1833, created and established a corporation called the Commercial Bank of New Orleans; that the chief object of the said company was to convey water into the city of New Orleans and its faubourgs and into the house of the inhabitants thereof; that in and by the said act of the Legislature it was enacted that the said Commercial Bank of New Orleans should have a capital stock of $3,000,000, three million dollars, to be subscribed for as provided in the said act, and that the said corporation should erect and establish a system of public works in the city of New Orleans, as provided in the said
104 act, and enacted that the said Commercial Bank of New Orleans should have and possess the exclusive privilege from and after the passage of the said act of supplying the inhabitants of the city of New Orleans and its faubourgs with water from the Mississippi river by means of pipes or conduits, and was vested with power to lay down pipes and erect the works necessary to effect the said

purpose, subject to the restrictions and conditions contained in the said act of the Legislature; and it was in said act further provided that if at any time after the expiration of thirty-five years from the date of the passage of the said act the corporation of the city of New Orleans should so select it was authorized to purchase from the said Commercial Bank of New Orleans the water works so to be constructed by the said company, together with all the rights and privileges appertaining to the same, including the said exclusive right aforesaid; that it was further provided in the said act of the Legislature that in the event the city of New Orleans, after the expiration of the said period of thirty-five years, should elect to purchase the said water works from the Commercial Bank of New Orleans the price to be paid therefore by the city of New Orleans should be fixed by arbitrators, as provided in the said act, and that the amount so fixed should be payable to the said Commercial Bank of New Orleans in the bonds of the mayor, aldermen, and inhabitants of the city of New Orleans, bearing interest at the rate of five per cent. per annum, payable semi-annually and redeemable in not less
105 than ten nor more than 30 years from the date on which the said award should be signed and the said water works delivered over to the said corporation of the city of New Orleans, as more fully and at large appears by the said public act of the Legislature of the said State, to which your orator at all times refers; and your orator further shows unto your honors that after the passage and adoption of the said act of the Legislature the capital stock required as provided in the said act was duly subscribed, and the said company was organized and accepted the terms of the said act of the Legislature and constructed a system of water works in the city of New Orleans as provided and directed in the said act of the Legislature, and continued to own, manage, control, and operate the same for the full period of thirty-five years from and after the adoption of the said act of the Legislature, and during the entire period aforesaid had and possessed under and by virtue of the terms of the said grant and act of the Legislature the exclusive right and privilege of maintaining and operating the said public water works and providing a supply of water to the city of New Orleans and the inhabitants thereof; and your orator further shows unto your honors that at the expiration of the said period of 35 years the corporation of the city of N. O. elected to take advantage of the provisions of the said act, wherein and whereby it was permitted to purchase the rights of the said Commercial Bank of New Orleans; that appraisers were duly appointed and the valuation of the said property arrived at and established at two millions of dollars ($2,000,000); that at the time it was authorized in the said act of the Legislature the city of New Orleans was a large shareholder in the said Commer-
106 cial Bank of New Orleans, and in order to pay for the said water works acquired the interest of the other shareholders therein issued and delivered the said Commercial Bank her bonds, as provided in the said act of the Legislature, in the sum of one million three hundred and ninety-three thousand four hundred dollars, redeemable in forty years from the date thereof and bearing

5% interest per annum, payable semi-annually, which said bonds are commonly known as the water-works bonds; whereupon the said Commercial Bank of New Orleans, as required by the said act of the Legislature, conveyed and transferred unto the city of New Orleans full, absolute, and complete title in and to the said water works and of all the rights, privileges, and immunities which were possessed by the said Commercial Bank of New Orleans, whereby the city of New Orleans became and was vested with the exclusive right and privilege of furnishing water by a system of public water works to the inhabitants of the said city of New Orleans; that the said right was an exclusive right, without limit, as *to* time, in the language of the said act, was "forever."

And your orator further shows unto your honors that, having so become possessed of the said water works, the said city of New Orleans as a corporation managed and conducted the same until or about the month of February, A. D. 1878, as hereinafter set forth.

And your orator further shows unto your honors that during the period of time whilst the said city of New Orleans owned and operated the said water works the said corporation was much embarrassed in its finances, and that it was with extreme difficulty
107 that it could meet and pay the annual demand for interest on the said bonds; that in 1877, in order to relieve the said city of New Orleans in a measure from its embarrassment growing out of its indebtedness, the Legislature of the said State of Louisiana, at an extra session of the Legislature held in 1877, passed and adopted act No. 33 of the acts of the said extra session, entitled "An act to enable the city of New Orleans to promote the public health; to afford greater security against fire by the establishment of a corporation to be called the New Orleans Water Works Company; to authorize the said company to issue bonds for the purpose of extending and improving the said works and to furnish the inhabitants of the city of New Orleans an adequate supply of pure and wholesome water, and to permit the holders of the water-works bonds to convert them into stock and to provide for the liquidation of the bonded and floating debt of the city of New Orleans," etc.; that it was provided in the said act that a corporation be created to be known as the New Orleans Water Works Company, and provided, among other things, that the holders of the said "water-works bonds" might convert the same into the capital stock of the said company, and that when so converted the said "bonds" should be surrendered and cancelled; that there should be issued to the city of New Orleans stock amounting to the sum of six hundred and six thousand six hundred dollars, full-paid shares of said stock of one hundred dollars each plus one additional share of stock for every one hundred dollars of the said "water-works bonds" which she had prior
108 to that time and since the issue of the said bonds taken up either by payment, funding into premium bonds, or otherwise, and that for the purpose of carrying out the provisions of the act all the certificates for all of the stock in the said company should be issued to the said city of New Orleans, one set of said certificates equal in value and amount to the then out-

standing par value and amount of the said "water-works bonds" being held by the said city to be exchanged for the said "bonds" with the holders thereof, and the other set of certificates being held by the said city of New Orleans in her own right and in trust for the holders of all her other bonded and floating indebtedness of every kind and nature.

And it was also further provided in the said act that the said water works company should be organized by the mayor of the city giving thirty days' notice that he would receive subscriptions of bondholders who may agree to exchange their said "bonds" for the stock aforesaid, and that the said city should subscribe to the amount of six hundred and six thousand six hundred dollars ($606,600.00) and such other amount as should be equal in par value to any of the said "water-works bonds" which should have been extinguished by the said city, and that as soon as the sum of five hundred thousand dollars ($500,000.00) in addition to the said subscription to be made by the said city should have been made and the amount of "bonds" represented thereby and exchanged therefor should have been annulled, surrendered, and cancelled by the administrator of finances, and that the said subscribers shall
109 assemble on a day to be named by the mayor and to elect a board of directors to be composed of seven persons, of whom the mayor was designated as one, and that of the remainder four to be designated by the mayor and the remaining three to be elected by the subscribers other than the said city from amongst themselves, and that the persons thus designated and elected to constitute the first board of directors of the said company.

And your orator further shows unto your honors that the city of New Orleans accepted the conditions and provisions of the said act and subscribed for the full amount of the said shares of stock so to be subscribed by her, and that the holders of the said water-works bonds subscribed also to the said stock of the said company in a sum exceeding five hundred thousand dollars ($500,000.00) and surrendered their said bonds to the administrator of finances, and that on or about the — day of March, 1878, the said company was duly organized and the board of directors duly appointed and elected as provided by the said act, and said company agreed to and accepted all of the conditions of the said act as amended by an act entitled "An act relative to the charter of the New Orleans Water Works Company and amending act No. 33 of the extra session of 1877, approved March 31st, 1877," which said last-named act was approved on the 26th day of Feb'y, A. D. 1878, whereby your orator became and was vested with corporate character and existence and *that* all the rights and privileges granted under the said act No. 33 of the extra session of 1877 and the said act amendatory thereto, and that the said city of New Orleans, having as aforesaid accepted the
110 conditions and terms of the said act, did, as provided for in the said act, immediately after the election and appointment of the said board of directors as aforesaid, by notarial act, transfer, set over, and grant unto your orator all its rights, title, and interest in and to the said water works as it had acquired the same

from the said Commercial Bank of New Orleans and all subsequent additions thereto, which said notarial act or a copy thereof, duly attested, your orator has now here in court ready to submit to the court as the court shall direct.

And your orator further shows unto your honors that under and by reason of the premises your orator became and was vested with full, absolute, and complete title to all the said water works and to all the privileges acquired by the said city of New Orleans from the Commercial Bank of New Orleans as aforesaid, and the exclusive right of supplying the city of New Orleans and its inhabitants with water from the Mississippi river or any other stream or river by means of pipes or conduits, and the right of erecting or constructing any necessary works, engines, or machinery for that purpose for the full period of fifty years from and after the said 31st day of March, A. D. 1877; and your orator further shows unto your honors that among other rights granted and conferred upon your orator by the said act of the Legislature was the right and power to increase the capital stock of the said corporation, and particularly to borrow money for the purpose of improving and enlarging its works in increasing the supply of water to be furnished the said city
111 of New Orleans; that to accomplish this purpose the corporation was authorized to issue bonds of the company to an amount not exceeding two millions of dollars ($2,000,000), and in such sums and on such terms and bearing such rate of interest as the said board might determine or deem most expedient, and, to secure the payment of the said bonds, principal and interest, by mortgage of all the property and franchises of the said company, including its franchise to be a corporation, authorized the said company to include property and franchises of the said company any — acquired and to be acquired, subject to the conditions that no such bonds or mortgages should be given or issued without the consent of the council of the city of New Orleans, and that the said bonds should not be sold or disposed of except upon such terms as should be approved by the said council of the said city of New Orleans; and

Your orator further shows unto your honors that in order to extend the works and to renew the old and decayed pipes and to replace the same and to extend the facilities of your orator for supplying water to the said city of New Orleans it became and was immediately necessary to expend large sums of money. For the purpose of enabling it to carry on the said improvements your orator, by and with the consent of the city of New Orleans, has made and issued five hundred thousand dollars ($500,000.00) in the bonds of said company, and has disposed of $300,000 of the same and realized the money therefrom by and with the consent of the said city of New Orleans, and has expended the said money on a large portion thereof
112 in increasing, improving, and enlarging the said water works to render the same adequate to the demand for water, and to carry out the provisions and requirements of the said act and to secure the payment of the said bonds has also, by and with the consent of the said city of New Orleans, as provided in the said act, made and executed a mortgage including all the property of your orator, in-

cluding its franchises as a corporation, and that the said mortgage has been duly recorded and is now in full force and effect; and

Your orator further shows unto your honors that among the rights so conferred upon your orator was the right to fix charges for water within the limits of the city of New Orleans, limited only by the provision that the net profits of the company should not exceed ten per cent. per annum upon the capital stock thereof; and

Your orator further shows unto your honors that the said New Orleans Water Works Company has in all things acted in good faith; that it accepted the terms and conditions of the said act of the Legislature only after having obtained the full consent of the city of New Orleans thereto and by and with the full assent of the city of New Orleans, as hereinbefore set forth; that had your orator not supposed that your orator had thereby acquired and obtained the full and exclusive right and privilege of supplying the city of New Orleans with water by a system of public water works to the exclusion of all other companies your orator never would have entered into the said engagements, would never have accepted
113 the terms and provisions of the said act of the Legislature.

And your orator further shows unto your honors that it would have been unable to place or negotiate the said bonds or borrow the said money except by reason of the exclusive right so granted unto your orator, and that it would in all things have been able to comply with or carry out the provisions of the said act; and

Your orator further shows unto your honors that in order to be able to comply with the terms and provisions of the said act and make the said water works competent to an adequate supply of water in the said city of New Orleans your orator will be compelled to borrow large sums of money to be expended thereon, and that unless the exclusive rights and privileges of your orator are in all things protected and preserved unto her your orator will be absolutely without credit or means of borrowing money, as without the said exclusive right and privilege so conferred by the said acts of the Legislature a mortgage upon the property of your orator's corporation would be deemed by all persons having money to loan as inadequate as a security, and the whole object and purpose for which the said corporation was created will be in all things defeated.

And your orator further shows unto your honors that by reason of the legislation aforesaid and the acts of the city of New Orleans aforesaid and the organization of the New Orleans Water Works Company and its acceptance of the conditions, privileges, and burdens contained in the said act the State of Louisiana and the city of New Orleans became and were obligated unto your orator
114 to warrant, maintain, and protect your orator in the full right and exercise of its exclusive rights and privileges aforesaid, and that the obligation of a contract grew up and was created by and between the said State of Louisiana, the city of New Orleans, and your orator, which said obligation was and is sacred under and by virtue of the provisions of section ten of article one of the Constitution of the United States, and which said obligation, under and by virtue of the said Constitution of the United States, can in no-

wise be impaired by any act of the State of Louisiana or the city of New Orleans; and

Your orator further shows unto your honors that there is in existence and in force in the State of Louisiana a statute providing for the organization of corporations for the object of improvement and other purposes, whereby any number of persons, not less than six, upon complying with the provisions of the said general law may form and constitute themselves into a corporation; and

Your orator further shows unto your honors that on or about the second day of May, A. D. 1882, certain number of persons, more than six in number, undertook to avail themselves of the provisions of the said act of general legislation to organize and constitute themselves into a corporation having for its avowed purpose and object to "furnish and supply the inhabitants of the city of New Orleans and other localities contiguous to the line of its works with an ample supply of pure, clear, and wholesome water from such rivers
115 or other fountain sources as may be found most available or suitable for such purpose, and for that end to raise or construct such dams, mounds, or reservoirs, to construct, conduct, or cause to be opened such canals or tunnels and to lay such pipes or conduits and to construct, erect, and maintain and operate all such works, stand-pipes, engines, and machinery, and to procure such rights of way, franchises, and privileges as may be necessary or available to carry out the said object;" and to that end on the said second day of May, A. D. 1882, they appeared before one Samuel Flower, a notary public in and for the parish of Orleans, and made and entered into and subscribed alleged articles and an alleged charter under the said general legislation of the State of Louisiana of the style of "the St. Tammany Water Works Company," and caused the same to be recorded with the recorder of mortgages in the parish of Orleans, in the said State, and caused the said articles and said alleged charter to be published in the New Orleans Picayune, a daily newspaper published in the said city of New Orleans, in the manner as provided in the said general legislation, and the said persons and other associates now claim that all of the said acts have the effect to constitute and create the said Saint Tammany Water Works Company, the defendant herein, a corporation under and by virtue of the laws of the State of Louisiana, and claim to be and act as a corporation, and claim and pretend that under and by virtue of the said general legislation of the said State and their said acts the said Saint Tammany Water Works Company has full and competent right, authority, and power *to* derive from the laws of the State of Louisiana to invade the rights of your orator
116 and to erect, establish, and conduct and carry on within the limits of the city of New Orleans without the consent of your orator a rival and competing system of water works and to divide with your orator the right of supplying the said city of New Orleans and the inhabitants thereof with water from rivers or streams by a system of public water works and to receive re*num*eration, pay, and profit therefor; and

Your orator further shows unto your honors that the said alleged

charter of the said Saint Tammany Water Works Company or a copy thereof is filed with this bill as an exhibit and marked "Exhibit A."

And your orator further shows unto your honors that the said defendant, The Saint Tammany Water Works Company, had no sooner obtained and published their said alleged charter than they began holding out and pretending and asserting that they have full, competent right and authority to establish, maintain, and carry on a competing system of public water works within the said city of New Orleans; that while they do not question the fact that the Legislature of the said State at the time that it granted and conferred upon your orator the power, rights, and privileges aforesaid was fully competent to enact and grant the same, and that at the time when your orator was granted and obtained the said exclusive right aforesaid that the same was in all things legal, binding, and operative and did absolutely confer upon your orator the said exclusive privileges aforesaid, yet they pretent, allege, aver,
117 publish and cause to be published, and assert that the acts of the Legislature aforesaid conferring the rights aforesaid upon your orator; that a convention of the people of the State of Louisiana has been by due authority called together, and that the constitution of the State of Louisiana in force in 1877 and 1978 has been abrogated, annulled, and set aside, and that an entirely new constitution and organic law of the said State was adopted in 1879 containing, among other things, a provision which they assert has repealed, abrogated, and absolutely destroyed all that portion of the charter of your orator which conferred the said exclusive right; and

Your orator further shows unto your honors that the said defendant, The Saint Tammany Water Works Company, has been and is taking active steps to cause your orator serious damage, loss of credit, and to impair its operations, and to that end they hold out and assert that they have under their control a large and unlimited amount of money and credit, and threaten and hold out that they intent by a system of conduits and pipes to bring into the city of New Orleans the waters of the Bogue Falaya river, in the parish of St. Tammany, to lay mains and pipes through the streets of the city of New Orleans parallel with those of your orator and to connect the same with the houses and buildings of the inhabitants of the said city of New Orleans, and to set up, establish, and operate in all parts of the city of New Orleans a rival and competing water-works system; and

Your orator further shows unto your honors that, in furtherance of their said scheme of wrong and with the intention of in-
118 juring your orator and impair its credit, the said defendant has caused to be introduced and, as your orator is informed, has secured the passage of an act of the Congress of the United States permitting the said defendant the right of way through public lands and leave and permission to lay pipes and mains under and across Lake Pontchartrain, a navigable water of the United States, in order to bring the said water of the said Bague Falaya river

within the limits of the city of New Orleans for distribution in the present system of water works; and

Your orator further shows unto your honors that the said defendant, The Saint Tammany Water Works Company, has entered into negotiations with or has solicited the city of New Orleans to aid it in its said scheme by the adoption of some ordinances whereby the city of New Orleans shall in form grant unto the said Saint Tammany Water Works Company the right to erect and establish the said water works within the said city, to lay down the said parallel mains and pipes, and in all things enter into competition with your orator and invade and destroy in so far as it can the said exclusive rights and privileges of your orator; and

Your orator further shows unto your honors that it is informed and believes that the council of the city of New Orleans or some of them hold out and pretend that they have the right and authority under and by virtue of the said provision of the constitution of the State of Louisiana, adopted in 1879, to wit, article 258
119 thereof, to absolutely ignore and hold for naught, not only the warranty contained in their said act of sale by which the said water works were conveyed to your orator, but to ignore the estoppel which has grown up and exists by virtue of their said relation to the said company and the obligations of the said city of New Orleans which have been converted into the stock of the said company, as hereinbefore set forth, and that they will actively collude with and join with the said defendant, The Saint Tammany Water Works Company, to the extent in so far as they can to grant to the said Saint Tammany Water Works the right and privilege to invade the exclusive rights of your orator and to set up, construct, establish, and operate within the said city of New Orleans a competing system of water works and water supply; and

Your orator further shows unto your honors that in view of the fact that the capital stock of your orator is entirely made up by the exchange of the actual obligations and evidences of debt of the city of New Orleans as aforesaid, your orator is entirely dependent for the money necessary to carry out faithfully its obligations under the said acts of the Legislature upon its credit and ability to borrow money and upon the earnings of the said water works company, and that your orator accepted the conditions of the said charter solely because the same did grant unto your orator the exclusive right of supplying the said city with water by a system of public water works for the said period of fifty years, and that thereby the said company would necessarily obtain and have credit in the money market and be able to obtain the
120 funds requisite to carry out the said obligation, and that under no circumstances would your orator or the shareholders therein have surrendered the obligations of the city of New Orleans in exchange for the stock of the said company had it not been for the said exclusive right so conferred as aforesaid, all of which the said defendant, The City of New Orleans, well knew; that if the said defendants are permitted to tamper with, invade, or destroy the said exclusive right of your orator or by their acts to impair the public

belief and faith therein the rights of the stockholders in the said corporation would be absolutely destroyed; that it is impossible for two systems of water works to subsist with profit in the city, and, further, that it is utterly impossible for your orator to carry out the obligations imposed upon it by the said acts of the Legislature without the full and unimpaired right to fix or establish the rate to be paid for water in the city of New Orleans, as provided in the said act, subject only to the limitations therein set forth; that if the said defendant, The Saint Tammany Water Works Company, is permitted to assert, hold out, and represent that the objects and purposes for which their said alleged corporation is created are lawful and have any force and effect, and if they are aided in their said wrongful acts by any pretended grant, right, or connivance upon the part of the said defendant, The City of New Orleans, your orator and the shareholders in the said corporations are left in the position of having converted their valid subsisting obligations of the city of New
121 Orleans into stock of the said water works company, to be destroyed and rendered absolutely worthless by the connivance and combination of the said city of New Orleans with the said defendant, the said Saint Tammany Water Works Company, under cover of a pretended repeal of the rights of your orator in the said constitution of 1879; and

Your orator further shows unto your honors that the said wrongful acts of the said defendants, as already committed aforesaid, have had the effect to impair and depreciate the credit of your orator to such an extent that her mortgage bonds already issued have become largely depreciated in the market, and that the capital stock of the said company has been by the said acts of the said defendants, and as a direct consequence thereof, depreciate- in value to at least sixty thousand dollars ($60,000.00), and your orator put in such position that it cannot use its credit to borrow money without large sacrifices, and with the sale of its bonds at a large and increased depreciation.

And your orator further shows unto your honors that it is advised and verily believes that unless arrested in its course of wrong by an order and decree of this honorable court the said defendants will proceed with and carry out their said scheme of wrong and thereby cause your orator in the immediate future large additional damage, loss, and inconvenience; and

Your orator further shows unto your honors that it is advised and verily believes that it is in all things fully protected and guaranteed in its said exclusive rights aforesaid under and by virtue of the provisions and guarantees contained in the Constitu-
122 tion of the United States; that the said pretended enactment or provision of the constitution of the State of Louisiana set up, asserted, and relied upon by the said defendants is, in so far as the same affects the rights of your orator, absolutely null and void and of no effect; and

Your orator further shows unto your honors that it is informed, advised, and verily believes that the said pretended charter of the said defendant, The Saint Tammany Water Works Co., in so far as

it sets up and sets forth the purposes and objects to be accomplished by the said corporation, are null and void and prohibited by law and in direct, open violation and invasion of the rights of your orator in the premises, and that the effort of the said persons to organize and set on foot the said St. Tammany Water Works Co. to avail themselves of the general legislation of the State on the subject of corporations, in order to invade under cover of the said statute the said exclusive rights of your orator, are a fraud upon the rights of your orator and are not warranted and justified in law, equity, or good conscience; and

Your orator further shows unto your honors that all of the said acts and doings of the said defendants are contrary to equity and good conscience.

To the end, therefore, that the said defendants may, if they can, show unto your honors why your orator should not have the relief herein and hereby prayed for—

123 Your orator prays that the said defendants and each of them may full, true, complete, and adequate answer to the premises make, and that your honors grant and allow unto your orator the most gracious writ of injunction, both provisionally and perpetually, enjoining, inhibiting, and restraining the said defendant, the said Saint Tammany Water Works Company, from asserting, pretending, alleging or publishing or holding out that they have acquired or can acquire under and by virtue of their said alleged charter any right, power, or privilege enabling them to bring into the city of New Orleans, by conduits, pipes, or other devices, the waters of the said Bogue Falaya river or any stream or river or fountain, or to establish, set up, erect, or carry on, or threaten to establish, erect, or carry on, any system of public water works within the limits of the city of New Orleans to supply the said city or the inhabitants thereof with water; from laying down mains, pipes, or resorting to any other means to establish and set up in the said city of New Orleans any system of water distribution or supply; from selling or offering to sell or supply any of the inhabitants of the said city with water supply, for hire or otherwise, during the entire period of the said fifty years from the said thirty-first day of March, A. D. 1877, or from doing any other act or thing which can or will in any manner interfere with the rights of your orator in the premises.

And that your honors also grant and allow unto your orator a writ of injunction directed to the said defendant, The City of New Orleans, enjoining the said defendant from making or attempt-

124 ing to make in any form any grant or pretended grant to the said St. Tammany Water Works Company or to any other corporation or persons whatsoever any right to set up within the limits of the city of New Orleans any system of public water works in competition with those of your orator; from permitting the said Saint Tammany Water Works Co. or any other person, without the consent of your orator, to excavate in the streets of the city of New Orleans for the purpose of laying any mains, pipes or establishing and constructing any system of water works or means for distributing water in and through the said city of New Orleans in competition

with your orator during the entire period of fifty years from and after the said thirty-first day of March, 1877; and

May it please your honors, upon the hearing of this cause, to adjudge and decree that at the time the said Legislature of the State of Louisiana granted and conferred upon your orator the said exclusive right to supply the city of New Orleans with water by a system of public water works for the said period of fifty years that the said Legislature had full, competent, and adequate power to make the said grant; that when the said city of New Orleans accepted the terms of the said act and the said stock was subscribed by the said city of New Orleans and by the other holders of the said water-works bonds, and the said corporation, the New Orleans Water Works Company, organized thereafter and accepted the terms and provisions of the said act, and said city of New Orleans so conveyed the said water works and its said rights acquired from the Commer-
125 cial Bank of New Orleans as aforesaid, the same became and was a legally binding contract, with obligations resting as well upon the city of New Orleans and the State of Louisiana as upon your orator, and that the same became in all things irrepealable except by and with the consent of your orator, and that the city of New Orleans by its acts became and was and is estopped from *the* denying the validity of the said obligation and from attempting in any manner or by any means to lessen the full value and import thereof.

That the State of Louisiana became bound under and by reason of the provisions of the Constitution of the United States to observe full and exact faith about and concerning every obligation in the said contract, and that the said defendants, the said Saint Tammany Water Works Company, cannot in law avail themselves of any legislation of the State of Louisiana to impeach or impair the same, and that the said article No. 258 of the constitution of the State of Louisiana, adopted in 1879, and all other provisions in the said constitution which in any way on the face thereof impair or limit to any degree the full range and effect of the said obligation, existing under the said charter of your orator, are, in so far as your orator is concerned, absolutely null, void, and of no effect; and,

Further, that your honors adjudge and decree that your orator has in all things observed and faithfully carried out the obligations of the said contract binding upon your orator, and that your orator has the full, complete, absolute, and inalienable right for the
126 said period of fifty years from the said thirty-first day of March, A. D. 1877, of supplying water to the city of New Orleans and the inhabitants thereof by any sytem of public water works, whether the water be taken from the Mississippi river or from any other stream, source, or fountain, to the exclusion of all other persons and corporations whatsoever; and

May it please your honors to grant unto your orator a restraining order and injunction against the said defendants *pendente lite* to the range, extent, and effect as hereinbefore prayed; and

May it please your honors to also grant unto your orator the most gracious writ of subpœna directed to the said defendant, The City of

New Orleans, and the said defendant, The Saint Tammany Water Works Company, in due form, commanding them and each of them to be and appear in this honorable court before your honors on some day certain in the said writs to be named and under a certain penalty therein to be named, full, complete, and adequate answer to the premises make, to stand to and abide all such orders and decrees as your honors may make in the premises; and

May it please your honors to further grant unto your orator such other and further relief in the premises as the nature of their case may require and as to your honors may seem meet and just; and they will ever pray, etc.

(Signed) J. R. BECKWITH, *Counsel.*
(Signed) E. H. FARRAR, *Solicitor.*

EASTERN DISTRICT OF LOUISIANA, *ss:*

Albert Baldwin, being duly sworn, deposeth and saith that
127 he is — of said *of said* New Orleans Water Works Company, complainant in the above bill of complaint; that he knows the contents thereof; that all of the matters set forth in said bill of complaint are true of his own knowledge, except such matters as are therein set forth upon information and belief, and that as to all such matters he verily believes the same to be true as therein set forth; and further saith not.

(Signed) ALBERT BALDWIN,
President New Orleans Water Works Company.

Subscribed and sworn to before me July 24th, 1882.
T. V. COUPLAND,
Commissioner United States Circuit Court,
Eastern District of Louisiana.

Decree Referred to in Note of Evidence and Entered and Filed April 12, 1883.

U. S. Circuit Court, Eastern District of La. In Equity.

NEW ORLEANS WATER WORKS COMPANY
vs.
ST. TAMMANY WATER WORKS COMPANY. } No. 10031.

128 This cause came on to be heard at this term on the bill, answer, replication, proofs, and exhibits on file and was argued by counsel.

Upon consideration whereof it is ordered, adjudged, and decreed that the charter of the New Orleans Water Works Company is a valid executed contract binding upon the city of New Orleans, the State of Louisiana, and all other persons holding under either the said city or the said State; that the exclusive privilege therein granted for the term of fifty years to the said water works company was and is a valid exercise of power on the part of the Legislature of the State of Louisiana; that said company having paid a val-

uable consideration for the said grant of exclusive privilege, the same is the property of said company, of which it cannot be deprived except by due process of law.

That article 258 of the constitution of the State of Louisiana of 1879, in so far as it attempts to lessen, impair, or destroy the said exclusive privilege, is in violation of the Constitution of the United States and is null, void, and of no effect or validity.

It is further ordered, adjudged, and decreed that the city of New Orleans is bound by the terms of the said charter and is bound to obey and respect the terms of the said exclusive privilege, and that the said city has no power or right to grant any privileges or to pass any ordinances in contravention of the terms of the said charter.

It is further ordered, adjudged, and decreed that the pre-
129 tentions and claims of the defendant corporation, known as the St. Tammany Water Works Company, are in contravention of the contract rights of the said New Orleans Water Works Company.

And it is accordingly further ordered, adjudged, and decreed that a perpetual injunction do issue to the said St. Tammany Water Works Company, its officers, agents, servants, and attorneys, restraining and inhibiting it and them from asserting, pretending, alleging, or publishing or holding out that they have acquired or can acquire under and by virtue of their said alleged charter any right, power, or privilege enabling them to bring into the city of New Orleans by cond-its, pipes, or other devices the waters of the said Bogue Falaya river or any stream or river or fountain, or to establish, set up, erect, or carry on or to threaten to establish, erect, or carry on any system of public water works within the limits of the city of New Orleans to supply the said city or the inhabitants thereof with water; from laying down mains, pipes, or resorting to any other means to establish and set up in the said city of New Orleans any system of water distribution or supply; from selling or offering to sell or supply any of the inhabitants of the said city with water, for hire or otherwise, during the entire period of the said fifty years from the said thirty-first day of March, anno Domini 1877, or from doing any other act or thing which can or will in any manner interfere with the rights of complainant in the premises.

It is further ordered, adjudged, and decreed that complainant do
have and receove- from defendant all costs in this proceeding,
130 to be taxed.

(Signed) DON A. PARDEE,
Circuit Judge.

Bill of Complaint. Filed April 28th, 1884, and Referred to in Note of Evidence.

NEW ORLEANS WATER WORKS CO.
vs.
R. E. RIVERS. } No. 10560.

The honorable the judges of the circuit court of the United States in and for the fifth judicial circuit and eastern district of Louisiana:

The New Orleans Water Works Company, a corporation duly created under and by virtue of the laws of the State of Louisiana and domiciled in the parish of Orleans, in said State, brings this its bill of complaint against Robert E. Rivers, also a citizen of the State of Louisiana, residing within this district.

1. And thereupon your orator shows unto your honors that the Legislature of the State of Louisiana, by an act thereof approved on the first day of April, A. D. 1833, created and established a corporation called the Commercial Bank of New Orleans; that the
131 chief object and purpose of said organized corporation was to convey water and water supply into the city of New Orleans and its faubourgs and into the houses of the inhabitants thereof and to accomplish and effect a public water supply for the inhabitants of said city; that in and by said act of the Legislature aforesaid it was enacted that the said Commercial Bank of New Orleans should have a capital stock of three millions of dollars, to be subscribed for as provided in the said act, and that the said corporation should erect and establish a system of public water works in the city of New Orleans adequate to a sufficient water supply for said city and the inhabitants thereof, as provided in said act. It was also enacted therein that said Commercial Bank of New Orleans should have and possess the exclusive privilege of furnishing said water supply, erecting said works, and laying pipes and mains for said supply from and after the passage of said act, the water to be taken or drawn from the Mississippi river by means of pipes or conduits, and said corporation was vested with power to lay down pipes and erect the works necessary to effect said purpose, subject to the restrictions and the conditions contained in said act of the Legislature; and it was in said act further provided that if at and for a time after the expiration of thirty-five years from the date of the passage of said act the corporation of the city of New Orleans should so elect the said corporation, the city of New Orleans, was authorized to purchase from said Commercial Bank of New Orleans the water works so had and so constructed by the said company, together with all
132 the rights and franchises pertaining to the same, including said exclusive right aforesaid; that it was further provided in said act of Legislature that in the event the said city of New Orleans after the expiration of said thirty-five years should elect to purchase said water works from the said Commercial Bank of New Orleans the price to be paid therefor by the city of New Orleans should be fixed by arbitration, as provided in said act, and the amount so

fixed should be payable to the said Commercial Bank of New Orleans in the bonds of the mayor, aldermen, and inhabitants of the city of New Orleans, bearing interest at the rate of five per cent. per annum, payable semi-annually, and redeemable in not less than ten years nor more than thirty years from the date on which the said award should be signed and the said water works, its machinery, pipes, and plant, delivered over to the said city of New Orleans, as more fully and at large appears by said public act of the Legislature of said State, to which your orator at all times refers.

2. And your orator further shows unto your honors that after the passage and adoption of the said act of the Legislature the capital stock required, as provided in said act, was duly subscribed and said company was organized and accepted the terms of the said act of Legislature and constructed an elaborate system of water works in the city of New Orleans, as provided, directed, and required by the said act of Legislature, and continued to own, manage, control, and operate the same for the full period of thirty-five years from
133 and after the adoption of the said act of Legislature, and during the entire period aforesaid had and possessed under and by virtue of the terms of said grant and act of Legislature, including the right and privilege of managing and operating, the said public water works for providing the supply of water to the city of New Orleans and the inhabitants thereof.

3. And your orator further shows unto your honors that at the expiration of the said period of thirty-five years the corporation of the city of New Orleans elected to take advantage of the provisions of said act wherein and whereby it was permitted to purchase said rights of the said Commercial Bank of New Orleans in said water works and everything relating thereto; that appraisers were duly appointed and the valuation of the property arrived at, as required in said act, and was by arbitration established at the sum of two millions dollars; that at that time, as organized under said act of Legislature, the city of New Orleans was a large shareholder in the said Commercial Bank of New Orleans, and, in order to pay for said water works, acquired the interest of the other shareholders therein by purchase, and to that end issued and delivered to the said Commercial Bank of New Orleans the bonds of the city of New Orleans in due form, duly issued as provided in said act of Legislature, in the sum of one million three hundred and ninety-three thousand and four hundred dollars ($1,393,400) for the appraised and estimated value of the interest in said Commercial Bank and water works not at that time owned by the city of New Orleans and represented by the shares of stock in said corporation standing in her
134 name; that said bonds were made redeemable in forty years from the date thereof and bore five per cent. interest per annum, payable semi-annually; that said bonds are commonly known as the water-works bonds. Whereupon the said Commercial Bank of the city of New Orleans, as required by said act of Legislature, conveyed and transferred to the city of New Orleans full, absolute, and complete title in and to said water works and of all rights, privileges, and immunities which were possessed by said Commercial Bank of

New Orleans, whereby the city of New Orleans became and was vested with the exclusive right and privilege of furnishing water by a system of public water works to the public and inhabitants of said city of New Orleans; that said right was an exclusive right, without limit as to time, and, in the language of said act, was to continue "forever."

4. And your orator further shows unto your honors that, having so become possessed of the said water works by the title aforesaid, the said city of New Orleans as a corporation managed, conducted, and held exacting pay from those receiving water supply therefrom until on or about the month of February, A. D. 1878 as hereinafter set forth.

5. And your orator further shows unto your honors that during the period of time which the said city of New Orleans owned and operated the said water works said corporation was much embarrassed in its finances and was largely in debt; that it was with extreme difficulty that the said corporation could meet and pay the annual demands of interest on said bonds and its other current ex-
135 penses; that in the year A. D. 1877, in order to relieve the said city of New Orleans in a measure from its financial embarrassment growing out of its said indebtedness, the Legislature of Louisiana, at an extra session of the Legislature thereof held in 1877, passed and adopted act No. 33 of the acts of the said extra session, entitled "An act to enable the city of New Orleans to promote the public health and to afford greater security against fire by the establishment of a corporation to be called the New Orleans Water Works Company (the same being your orator), to authorize the said company to issue bonds for the purpose of extending and improving the said works, and to furnish the inhabitants of the city of New Orleans an adequate supply of pure and wholesome water, and to permit holders of the water-works bonds to convert them into stock and provide for the liquidation of the bonded and floating debt of the city of New Orleans, &c., to which said act, as published by authority in the public statutes of the said State, your orator at all times refers and makes the same a part of his bill of complaint to the same extent and effect as if written herein *in extenso*.

6. And your orator further shows unto your honors that it was provided in said act that a corporation be created and known as the New Orleans Water Works Company, and provided, amongst other things, that the holders of the said water-works bonds might convert the same into the capital stock of the said company, and that when so converted the said bonds should be surrendered and cancelled; that there should be issued to the city of New Orleans stock amounting to six hundred and six thousand and six
136 hundred dollars ($606,600) full-paid shares of stock in said company of one hundred dollars each, besides one additional share of stock for every one hundred thousand dollars of the said water-works bonds which she had redeemed and possessed herself of prior to the time of the organization of said company, whether taken up either by payments, funding into premium bonds or other securities, or otherwise, and that for the purpose of carrying out the

provisions of said act all the certificates of all the stock in said company should be issued to the said city of New Orleans, one set of said certificates, equal in value and amount to the then outstanding par value amount of said water-works bonds then held by the said city, to be exchanged for the said bonds with the holders thereof, the other set of certificates being held by the said city of New Orleans in her own right and in trust for the holders of all other bonds and floating indebtedness of every nature and kind who might desire to avail themselves thereof in the manner herein set forth; and it was also further provided in said act that the said water works company should be organized by the mayor of the city of New Orleans giving thirty days' notice that he would receive the subscriptions of bondholders who might agree to exchange the said bonds for the stock in said water works company, and that the city should subscribe for said stock to the amount of six hundred and six thousand and six hundred dollars (606,600) and such other amount as should be equal in par value to any of the said water-works bonds which should have been extinguished by the said city of New Orleans by exchange, payment, or otherwise, and
137 that as soon as the sum of five hundred thousand dollars in addition to said subscription to be made by the city should have been made and the amount of bonds represented thereby and exchanged therefor should have been surrendered and cancelled by the administrator of finance the said subscribers should assemble, on a day to be named by the mayor of the city of New Orleans, and elect a board of directors, to be composed of seven persons, of whom the mayor was designated as one, and that of the remaining directors four should be designated by the mayor by appointment and three to be elected by the subscribers other than the said city of New Orleans, to be selected from amongst the subscribers, and that the directors thus designated and elected should constitute the first board of directors of the said company.

7. And your orator further shows unto your honors that the city of New Orleans accepted the conditions and provisions of the said act of Legislature and subscribed for the full amount of said shares of stock to be subscribed for by the said city, and that the holders of the said water works bonds subscribed also to the said capital stock of the said company in a sum exceeding five hundred thousand dollars, and, as required, surrendered their bonds, being the water-works bonds aforesaid, to the administrators of finance on or about the tenth day of March, A. D. 1878; which said bonds so subscribed and surrendered as aforesaid were by said administrator of finance of the city of New Orleans duly cancelled and extinguished, leaving to the subscribers who had surrendered the same only their
138 stock subscription and the stock represented thereby in lieu and place of the bonds so subscribed and surrendered by them; that immediately thereafter, during the said month of March, 1878, the said company was duly organized, and upon due and proper notice and proceedings had a board of directors, as provided for in said act of Legislature, — duly appointed and elected, as provided for in said act; that when said company was organized as

aforesaid it at once agreed to and accepted all of the conditions of the said act of Legislature as originally adopted by the said Legislature and as amended by an act entitled "An act relative to the charter of the New Orleans Water Works Company and amending act No. 33 of the extra session of 1877, approved March 31, 1877," which said last-mentioned act was approved on the 26th day of February, A. D. 1878, whereby your orator became and was vested with corporate character and existence and vested with all the rights and privileges granted under said act No. 33 of the extra session of 1877 and the said act amendatory thereof; and the said city of New Orleans, having also as aforesaid accepted the terms and conditions of the said act, did, as provided for in the said act, immediately after the appointment and election of the said board of directors as aforesaid, in and by notarial act in due form transfer, set over, and grant unto your orator all of its rights, title, and interest in and to said water works as it had acquired the same from the said Commercial Bank of New Orleans and all subsequent additions thereto, together with its exclusive right and privilege to provide and furnish
139 the public water supply of the city of New Orleans acquired from said Commercial Bank; which said notarial act or a copy thereof, duly attested, your orator has now here in court ready to submit to the court as the court shall direct.

8. And your orator further shows unto your honors that in and by said act of conveyance, assignment, and transfer of said water works and the rights thereto pertaining so made and conveyed to your orator as aforesaid by the city of New Orleans the said city of New Orleans as grantor therein in said transfer conveyed the same to your orator with full and explicit warranty in all particulars.

And your orator further shows unto your honors that by reason of the premises your orator became and was vested with full, absolute, and complete title to all the said water works and to all privileges acquired by the said city of New Orleans from the said Commercial Bank of New Orleans as aforesaid, and all the rights, privileges, and property of the said city of New Orleans in and to said water works as the said city possessed and held the same prior to said last-mentioned alienation and transfer, and has had the exclusive right of supplying said city of New Orleans and its inhabitants from the Mississippi river or any other stream or river by means of pipes or conduits and the right of erecting and constructing all necessary works, engines, and machinery for that purpose for the full period of fifty years from and after the said thirty-first day of March, A. D. 1877, the date of said transfer of said water works to your orator.

9. And your orator further shows unto your honors that
140 among the other rights granted and conferred upon your orator by said act of Legislature was the right and power to increase the capital stock of said corporation, and particularly to borrow money for the purpose of improving and enlarging said works and increasing the supply of water to be furnished the said city of New Orleans; that the entire capital stock of said corporation having been made up and purchased with the obligations of the

city of New Orleans so delivered to said city of New Orleans in payment of said subscription, there was left to your orator no fund or capital stock in its treasury wherewith to pay and discharge the expense necessarily involved in extending, repairing, and operating said system of public water supply; that in order to accomplish this end your orator was authorized to issue bonds of the company to an amount not exceeding two millions of dollars in such sums and at such times and bearing such rate of interest as the board of directors of your orator might determine or deem most expedient to accomplish said end, and your orator was authorized to secure the payment of the said bonds, principal and interest, by a mortgage bearing on all the property and franchises of said New Orleans Water Works Company, including its franchise to be a corporation and its right to the exclusive water supply of said city and all of the property possessed and held, owned or acquired, by your orator, subject to the condition that no such bond or mortgage shall be given or issued without the consent of the council of the city of New Orleans, and that the said bonds should not be sold or disposed of except upon such terms
141 as shall be approved of — said council or legislative body of the city of New Orleans

10. And your orator further shows unto your honors that in order to render said works adequate to sufficiently supply the said inhabitants of said city with water and to repair the same and to extend the works and renew old and decayed pipes and replace the same and to extend the facilities of your orator for supplying water to said city and in order to fully carry out the obligations and conditions bearing upon it in the said act of incorporation under which your orator has its existence it became and was immediately necessary to expend large sums of money, which your orator was compelled necessarily to raise or procure by loans, and that your orator, by and with the consent of the city of New Orleans, has made and issued five hundred thousand dollars of bonds of said company and has disposed of over three hundred thousand of that amount and has realized the money therefrom; that all this was done by and with the consent of the city of New Orleans and the council and legislative department thereof, and that your orator has expended the said money or a large portion thereof in increasing, improving, and enlarging the said water works in order to render the same adequate to supply the demand for water and to carry out and observe the provisions and requirements of the said act of Legislature incorporating your orator; that to secure the payment of the said bonds your orator has also, by and with the consent of the said city of New Orleans, as provided in said act, made and executed in
142 due form a mortgage bearing upon and including all of the property of your orator and its franchise as a corporation, and that the said mortgage has been duly recorded and is now in full force and effect.

11. And your orator further shows unto your honors that among other rights conferred upon your orator is the right to fix charges for water within the limits of the city of New Orleans, limited only by the provisions that the net profits of the company from that source

shall not exceed ten per cent. per annum upon the capital stock thereof.

12. And your orator further shows unto your honors that your orator, the said New Orleans Water Works Company, has in all things acted in good faith; that it accepted the terms and conditions of said act of Legislature only after having obtained the full consent of the city of New Orleans thereto and by and with the full assent of the city of New Orleans, as hereinbefore set forth, and that had your orator not supposed that your orator had thereby acquired and obtained the full and exclusive right and privilege of supplying the city of New Orleans with water by a system of public water works, to the exclusion of all other means and sources of supply, through pipes or conduits brought into the said city your orator would never have entered into said engagement, and would not nor would the subscribers thereto have accepted the terms and conditions of said act and surrendered and given up to the city of New Orleans for cancellation the said water-works bonds and obligations of
143 the said city of New Orleans so by said subscribers and shareholders given to the said city of New Orleans in exchange for their said shares of said water-works stock.

13. And your orator further shows unto your honors that the only exception contained in said act incorporating your orator, wherein and whereby your orator was not entitled and authorized to furnish the entire public water supply brought into the said city of New Orleans in pipes and conduits, was the reservation made in favor of those persons in the said city of New Orleans who owned and occupied property contiguous to the Mississippi river, which said persons are, by the reservation contained in the eighteenth section of said act of 1877, affected thereby, the said section providing that nothing in said act shall be construed so as to prevent the said council from granting to any person or persons contiguous to the river the privilege of laying pipes to the river exclusively for his own or their own use; and your orator saith that in and by said reservation it was only intended to leave in the power of the council of the city of New Orleans so much power as would permit them to grant the right of laying pipes to the river, as set out in said section, only to such persons as owned and occupied property immediately on the bank of the river, with riparian rights reaching to the river, and was not intended nor can the same be lawfully construed as giving or reserving the power of the council of the city of New Orleans to grant the right to lay down such pipes to any person or persons oc-
144 cupying or owning property or premises not so situated.

14. And your orator further shows unto your honors that it would have been unable to place or negotiate the said bonds or borrow the said money, nor would the shareholders in said company have ever yielded up or surrendered the obligations of the city of New Orleans by their exchange for said property in said water works and shares in said company, if they had not believed and been advised that they acquired the exclusive right so granted your orator, and that if such had not been the popular belief in the money market your orator, the subscribers to this capital stock of said com-

pany, would never have been able to comply with or carry out the provisions of said act of incorporation; and that if the shareholders and subscribers to the capital stock of the complainant corporation had for one moment believed that the city of New Orleans could lawfully claim or in good conscience exercise, under the provision of said section eighteen of the said act of incorporation, any right or power to grant to any persons the right or privilege of laying pipes to the river and obtaining their water supply therefrom, except as provided on the face of said section eighteen, where the property actually touched or ran down to the waters of the Mississippi river, your orator would never have exchanged the obligations of said city for said water-works property or stock and would in all things have been unable to have borrowed the money or secured the means to extend said water works and enlarge the same and comply with the provisions of said act under which your
145 orator is incorporated and acquired said works; and your orator files herewith a copy of the said act of Legislature incorporating said complainant, with all the amendments thereto, and makes the same a part of this bill of complaint.

15. And your orator further shows unto your honors that the said city of New Orleans, having received for the purchase price of said water works and of the rights acquired by said city from the said Commercial Bank of New Orleans the full value thereof in its own obligations, otherwise payable in cash at the maturity thereof; and having received also the said shares of the capital stock of the complainant's corporation without having paid any cash consideration therefor, and the said shares of stock so delivered to the said city of New Orleans being by law stamped with a special property value and character in the hands of the city of New Orleans, whereby the said city of New Orleans was and is enabled to and has exchanged the same, at the par value of one hundred dollars per share, for other obligations constituting the bonded and floating debt of the city of New Orleans to the full face value of said shares; and being so situated, not only as the warrantor to your orator of the character, quality, and extent of said property so conveyed, but also holding such relations to your orator that even after she shall have parted with the last share of the stock so delivered to the said city of New Orleans and shall have parted with her entire interest in said corporation as a shareholder, yet, by the terms of said act, your orator is compelled as a corporation to concede to the said city of New
146 Orleans the said number of directors charged with the management of the affairs of your orator, to be nominated, appointed, and designated by said city of New Orleans, and when so appointed and designated in a number sufficient to control the acts of the said board of directors and to put itself in the position of assuming to control and to actually control the property and operations of said company without in fact possessing, holding, or representing a single share of the capital stock thereof, was bound in law, equity, and good conscience to observe full faith in all of its said obligations and bound to abide by a strict and equitable construction thereof and to in all things, in conscience and care, avoid

the perpetration of any wrong or injustice which should impair the property of your orator or the shareholders therein or throw or cast any cloud upon the property, rights, and franchises so conveyed to your orator for a valuable consideration, in all things fully equal to the actual money value thereof, and should warrant and defend your orator in the full and complete exercise of all said rights, privilege, and enjoyment of the property so conveyed to your orator as aforesaid.

16. And your orator further shows unto your honors that the said city of New Orleans did, with reasonable good faith, execute and carry out her said duties and obligations as aforesaid until the adoption of the constitution of the State of Louisiana, commonly known as the constitution of 1879; that by virtue of the provisions of section ten of article one of the Constitution of the United States
147 and by reason of the premises and of the peculiar relation of the said city of New Orleans to your orator and the conditions and circumstances under which your orator acquired from the city of New Orleans the said rights in said water works your orator was protected by the said Constitution of the United States from any impairment or breach of the said obligations of the State of Louisiana, either as a State or the said city of New Orleans as a municipal government charged with the control or management of the local affairs of the city of New Orleans, and has the right to demand in all respects and particulars a full and complete observance of said contract and obligation both by the State of Louisiana and the said city of New Orleans, and is entitled to the aid of this honorable court in the protection thereof, and claims the rights guaranteed to it in that respect and behalf by the Constitution and laws of the United States.

17. And your orator further shows unto your honors that immediately after the adoption and promulgation of the said constitution of the State of Louisiana, known as the constitution of 1879, the said council of the city of New Orleans, in bad faith and with intent to injure and wrong your orator and to destroy the value of the property so conveyed by the said city to your orator and to disregard, ignore, and render of no avail their said warranty of title and right to said water works and franchises to your orator, cast about for some excuse for bad faith and a disregard of its said obligation of warrants, and immediately asserted and now asserts and pretends that certain provisions in the said constitution of the State of
148 Louisiana adopted in 1879, although adopted long after all of the matters hereinbefore set forth had become accomplished facts and the rights of your orator in said property had vested, have the effect to absolutely destroy and cut off all the rights of your orator to furnish and provide a public water supply for the city of New Orleans to the exclusion of all other persons, but also pretend and assert that by reason of the provisions contained in said constitution said city is absolved from all of its obligations so entered into and is at liberty to levy war upon your orator and undermine and destroy its property unrestrained by any rule of law, by any equity or good conscience, and now claims and pretends that the said city

of New Orleans, through its council, has the right and can lawfully grant to any person occupying any premises in the city of New Orleans not contiguous to the Mississippi river or its banks the right to lay down and construct for themselves pipes, conduits, and mains running from the Mississippi river to any lot, block, or establishment in any part of the city of New Orleans, and thereby take away from your orator the right of your orator to furnish said supply and receive pay and consideration therefor.

18. And your orator further shows unto your honors that the hotel called the St. Charles Hotel is the largest public hotel in the city of New Orleans and is a very large establishment, with rooms and accommodation sufficient and adequate to lodge and accommodate a very large number of guests, and that as a hotel is now dependent for its water supply upon the public water works
149 of your orator; that said hotel has been established for a large number of years and is a permanent institution, and *and* will in all probability continue in existence and be operated as a hotel during the whole period and lifetime of the exclusive grant of your orator to furnish and provide the water supply; that the consumption of water in said hotel by the occupants thereof is very large, and that your orator has heretofore derived a large profit from the exercise of its right to supply said water for consumption in said hotel and has supplied the same in the past at a profit largely exceeding the sum of five thousand dollars, which profit has accrued to your orator since the date of its organization and the commencement of its corporate life as aforesaid.

19. And your orator further shows unto your honors that said St. Charles Hotel is not situated contiguous to the waters of the Mississippi river or the banks thereof, nor does the property upon which the same is erected extend to the Mississippi river, but, on the contrary thereof, the same is situated in the middle of the city, and that six or seven blocks and streets intervene and lie between said hotel and the nearest point on the bank of the Mississippi river, and that none of said intervening property is owned or occupied by the lessee of said hotel or by the owners of said hotel; that said defendant, Robert E. Rivers, is the lessee of said hotel and operate- the same, and has the right to operate said hotel for a long series of years in the future. The exact length of said term is to your orator unknown.

20. And your orator further shows unto your honors that
150 on or about the fifteenth day of November, 1882, the council of the city of New Orleans, intending thereby to injure, wrong, and defraud your orator and to in all things disregard their solemn obligation to your orator and their said contract as aforesaid and to defy the Constitution and laws of the United States and to utterly disregard your orator's rights in the premises, did, through the council of the said city of New Orleans, make, adopt, pass, and promulgate a public ordinance of the said city of New Orleans in the words and figures following:

MAYORALTY OF NEW ORLEANS,
CITY HALL, *November* 16, 1882.

No. 8148, administration series.

Be it ordained by the common council of the city of New Orleans, That Robert E. Rivers or the lessee of the St. Charles Hotel of the city of New Orleans be allowed the right of way and privilege to lay a water pipe from the Mississippi river at any point opposite to the head of Common or Gravier streets through either of those streets to said hotel, its front and side streets, with all needed attachments and appurtenances, and to distribute said water through said hotel as said R. E. Rivers or lessee may desire from said pipes; the pipes to be put at a depth of three feet under the surface of the said streets, to be of iron, and of not more than (—) inches in diameter.

Be it ordained, That the said pipes and all attachments thereto in said streets be arranged and placed under the supervision and approval — the city mayor; the pavement and streets to be
151 relaid to the satisfaction of the administrator of improvements and city surveyor.

Adopted by the council of the city of New Orleans November 15, 1882.

Yeas—Fitzpatrick, Fagan, Mealey, and Walshe.

JOS. A. SHAKSPEARE, *Mayor.*

M. McNAMARA, *Secretary.*

That the said city of New Orleans and said defendant allege and pretend that the city has the lawful right to disregard its obligations and commit and effect said breach of good conscience and of its contract of warranty and its obligation growing out of the premises for and by reason of the provisions contained in the constitution of the State of Louisiana as adopted in the year 1879, and particularly the 258th article thereof, and claims and pretends that by reason of the said provision and enactments in the said State constitution that the said city is absolutely absolved from all the observances of the terms and conditions of its contract obligations and all obligations which in equity and good conscience are imposed upon and should be observed by said city of New Orleans by reason of the premises, and that the said defendant joins with the said city of New Orleans in asserting the said alleged right of the city of New Orleans to disregard its said obligation, the Constitution and laws of the United States, and to practically confiscate in the hands of the said shareholders of said water works company their property therein,
152 acquired by them in an honest exchange of the existing debts and obligations of the city of New Orleans, which, but for the act of said shareholders in exchanging said bonds and obligations for said shares in said water works company, the said city of New Orleans would have been compelled to pay said obligations, with the interest thereon, in money.

21. And your orator further shows unto your honors that it is advised, informed, and believes that the said complainant as in law,

in equity, and in good conscience ought to be protected from any such wrong and fraudulent acts by the provisions of the Constitution of the United States and the settled adjudication of the Supreme Court of the United States construing and applying said provisions of the Federal Constitution.

22. And your orator further shows unto your honors that the said defendant is about taking steps to avail himself of the said pretended grant contained in said ordinance and is about to construct and lay or cause to be constructed and laid from the Mississippi river to said St. Charles Hotel one or more large water pipes extending along or through the streets of the said city of New Orleans the distance of six or seven blocks back from the river, and establish a machine and device for forcing or pumping through said pipes the entire supply of water used and required for all purposes in said St. Charles Hotel, and that the said St. Charles Hotel is a very large establishment and entertains a large number of patrons and guests, and has capacity for entertaining and providing for a very large number of persons; that the consumption of water in said hotel is very large, and the demand therefor will
153 continue so long as the said hotel is continued and exists as a hotel, which will be for a long series of years in the future; that at the present time the said hotel and the lessee thereof, on whom devolves the expense of furnishing and providing said water, has no other source of obtaining the same excepting from and through the pipes, conduits, and by the machinery of your orator; that for a long period of time in the past your orator so supplied said hotel and the lessee thereof, with considerable profit to itself, amounting to much more than the sum of five thousand dollars, and that unless interfered with by the establishment and laying of said pipes and mains by the lessee thereof the said defendant, as threatened, must necessarily continue to supply said hotel and the lessee thereof with the water supply necessary to operate the same, and that the said right and privilege and franchise of supplying the said water to said hotel during the lifetime of the charter of your orator and during the period which it is lawfully entitled to said right by the terms of the said act of the Legislature of the State will far exceed in profit to your orator the sum of five thousand dollars; that if said defendant is permitted to construct and lay said pipes to the Mississippi river and obtain through the same the supply of water necessary to operate said hotel and carry on the same, your orator will be entirely cut off from any revenue therefrom or source of profit from such supply, and that the damage and loss resulting directly therefrom to your orator will far exceed the sum of ten thousand dollars, and more than five thousand dollars thereof
154 will occur and be suffered by your orator before this action in its ordinary course can be terminated by final judgment and decree.

23. And your orator further shows unto your honors that the surrender of the said obligations of the city of New Orleans and its exchange thereof into and for the shares of stock in said New Orleans Water Works Company, subject to the conditions of the said charter,

has been far from profitable to the shareholders of said company; that the market value of said shares is not at par, and that your orator has never earned or divided among its shareholders a sum equal to ten per cent. on the amount of said shares or of the cost of said water works to the shareholders and to your orator, and has little prospect from present indications of being able to so declare or make a dividend equal to ten per cent. on the capital stock of said company during the existence of its charter rights; that if the said pretended grant of the city of New Orleans to private parties and corporations of the right to lay down pipes and mains from property not contiguous or lying immediately on the river and draw through said pipes their supply of water without reference to the rights of your orator is held to be valid and lawful, your orator's rights and property in said water works will become practically confiscated and of no value, and the shareholders in said company will have received practically no value whatsoever for the said obligations of the said city of New Orleans so surrendered and exchanged by them for said property; and your orator avers that the said act of the
155 city of New Orleans is a fraud upon the rights of your orator, and that the said defendant at all times had full knowledge of the rights of your orator in the premises, and that the said act of the city of New Orleans was fraudulent and in bad faith and contrary to law. Yet, unless restrained by the order, injunction, and decree of this honorable court, the said defendant will at once avail himself of his pretended right so pretended to have been granted by the city of New Orleans, and will construct, lay down, use, and operate said pipe or pipes to procure the entire supply of water consumed in said hotel, and that said pipes, if properly constructed, will endure and be of use and effective for said supply during the period of the lifetime now remaining to your orator as a corporation and cause your orator continual and continuing pecuniary loss and injury during the whole of said period.

24. That your orator is remediless in the premises in a court of law, and therefore applies and appeals to this honorable court, sitting in equity and having peculiar and full powers in this behalf and jurisdiction in the premises by virtue of the premises and the Constitution and laws of the United States. All of said actings and doings of the said defendant are contrary to equity and good conscience and tend to the manifest wrong, injury, and oppression of your orator in the premises.

Therefore, to the end that the said defendant, if he can, show why your orator should not have the relief hereby prayed for, your orator prays that said defendant, according to the best of his several respective knowledge, remembrance, information, and belief, full,
156 true, direct, and perfect answer make to the premises (the oath to said defendant to such answer being hereby waived); and after due proceedings had may it please your honors to grant unto your orator a writ of injunction, both provisional and perpetual, enjoining the said defendant, his agents, servants, and attorneys, and all manner of persons associated with him in the conduct, management, and operation of the said St. Charles Hotel that they desist

and refrain from laying, constructing, making, or causing to be laid, constructed, made or established, any pipe or pipes, cond-its or mains, from any point of the Mississippi river to the said St. Charles Hotel or the premises in which the same are situated for the purpose or to the end that the supply of water for said hotel or any water for that purpose may be led, pumped, forced, or drawn through said pipe or pipes for use in said hotel or on some premises, or from availing themselves of any of the provisions, conditions, pretended grants, or authority herein set out or contained in said alleged ordinance of the city of New Orleans, and from asserting, claiming, or pretending that he or any of them derive or have any right or authority thereby or from any other source to lay, construct, establish, or cause to be laid, constructed, established, or used, any such pipe or pipes, conduits or mains, for the purpose of procuring or obtaining the water supply of the said hotel from the Mississippi river or any other source than from the conduits, mains, and pipes established, maintained, and operated by your orator, The New Orleans Water Works Company, and that may it please your honors on final hearing to adjudge and decree that the city of New Orleans was without
157 lawful authority to make, adopt, ordain, or promulgate the said alleged ordinance hereinbefore set forth, and that the same was in all things null and void and of no force and effect and conferred and granted to the said defendants no right or authority, privilege or license, whatsoever.

And may it please your honors to grant unto your orator the most gracious writ of subpœna of the United States of America, directed to the said Robert E. Rivers, thereby commanding him on a day certain, under a certain pain therein to be specified, personally to be and appear before your honors in this honorable court, and then and there to answer all and singular the premises, and stand to, perform, and abide such order and decree therein as to your honors shall seem meet and just, and to grant unto your orators such other and further relief in the premises as shall seem meet and agreeable to equity and good conscience and as the nature of the case may require.

And your orator will ever pray, etc.

(Signed) L. H. GARDNER, *Secretary.* [SEAL.]

(Signed) J. R. BECKWITH,
Sol. & Counsel for Compl't.

Final Decree. Entered and Filed 11 *May*, 1886, *and Referred to in Note of Evidence.*

158 United States Circuit Court, Eastern District of Louisiana.

THE NEW ORLEANS WATER WORKS CO., Complainant,
vs.
ROBERT E. RIVERS, Defendant. } No. 10560.

Final decree.

On motion of J. R. Beckwith, solicitor for complainants, and con-

sidering the mandate of the Supreme Court of the United States herein, filed and entered in this cause on the 20th day of February, 1886, reversing the decree of the court dismissing the complainant's bill herein and remanding this cause to this court for further proceedings to be had; and, further, considering that the said defendant herein, Robert E. Rivers, has not made or filed any plea or answer to the complainant's bill of complaint herein, and by order duly made herein the same has been and is taken as confessed against the said defendant, Robert E. Rivers, it is hereby ordered, adjudged, and decreed that the said bill of complaint contains and sets forth a due and sufficient cause of action against the said defendant cognizable in equity; that the said complainant, under and by virtue of the acts of the Legislature of the State of Louisiana referred to and set forth in said bill of complaint, has, for and during the term of its chartered existence, the sole and exclusive right of supplying the city of New Orleans and the inhabitants thereof with water from the Mississippi river, or any other source, stream, or river, by
159 means of pipes or conduits, and the right of erecting and constructing all necessary works, engines, and machinery for the whole period of fifty years from and after the thirty-first day of March, A. D. 1877, the date of the transfer of the water works from the city of New Orleans to the said complainant, to the exclusion of every other person or persons, save and excepting those inhabitants of the city of New Orleans having property contiguous to the Mississippi river, as set forth in said bill of complaint.

It is further ordered, adjudged, and decreed that the ordinance of the city of New Orleans, No. 8148, administration series, adopted and promulgated in November, 1882, and set forth in said bill of complaint, is absolutely null and void and of no effect, and did not and does not confer upon the said defendant any lawful right or authority, right of way, or privilege to lay water pipes from the Mississippi river to the said Saint Charles Hotel, and that the said defendant took no right or privilege thereunder.

And it is further ordered, adjudged, and decreed that the said complainant, The New Orleans Water Works Company, is entitled to and ought to have all of the relief prayed for in said bill of complaint, and it is therefore ordered, adjudged, and decreed that the said defendant, Robert E. Rivers, his agents, servants, attorneys, and all manner of persons associated with him in the conduct, management, leasing, or operation of the said Saint Charles Hotel, in the city of New Orleans, desist and refrain from and be perpetually enjoined from laying, constructing, making, or causing to be
160 made, laid, constructed, or established, any pipe or pipes, conduits, or mains from any point on the Mississippi river to said Saint Charles Hotel, or the premises on which the same may be situated, for the purpose or to the end that the supply of water to the said hotel or any part thereof may be pumped, forced, drawn, or led through such pipe or pipes for use in said hotel or on said premises and from availing himself or themselves of any of the provisions, pretended grants, or authority set forth or contained in said ordinance of the city of New Orleans, and from asserting, claim-

ing, or pretending that he or they or any of them have any right or authority or virtue therefrom, or from any other source, to lay, construct, establish, or cause to be laid, constructed, established, or used, any such pipe or pipes, conduits, or mains for the purpose of procuring or obtaining a water supply for the said hotel from the Mississippi river, or from any other source.

It is further ordered, adjudged, and decreed that a perpetual injunction, to the extent, effect, and range of this decree, and to enforce the same, be issued in due form from this court.

And it is further ordered, adjudged, and decreed that the said complainant do have and recover of and from the said defendant, Robert E. Rivers, all costs incurred in this court, to be taxed, and that when duly taxed the said complainant have execution therefor.

May 11th, 1886.

(Signed) DON A. PARDEE, *Judge.*

Charter, Referred to in Note of Evidence.

161 *Charter.*

Extra session of 1877.

No. 33.] AN ACT

To enable the City of New Orleans to promote the public health and to afford greater security against fire, by the establishment of a corporation to be called the "New Orleans Waterworks Company;" to authorize the said Company to issue bonds for the purpose of extending and improving the said works, and to furnish the inhabitants of New Orleans an adequate supply of pure and wholesome water; to permit the holders of Waterworks bonds to convert them into stock, and to provide for the liquidation of the bonded and floating debt of the City of New Orleans.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana in General Assembly convened,* That a corporation be, and the same is hereby created, to be styled "The New Orleans Waterworks Company," the capital stock whereof shall consist of two millions of dollars, which shall be divided into twenty thousand shares of one hundred dollars each.

SEC. 2. *Be it further enacted, etc.,* That immediately after the organization of the said Waterworks Company, as hereinafter provided, it shall be required to issue to the City of New Orleans, stock to the amount of six hundred and six thousand six hundred dollars, as full paid, and not subject to assessment; and in addition thereto, one similar share for every one hundred dollars of Waterworks bonds which said city may have taken up heretofore and extinguished by payment, exchange or otherwise; and that the residue of said capital stock shall be reserved for the benefit of all holders of Waterworks bonds, to the extent of the amount now outstanding,

162 who may elect to avail themselves of the provisions of this act; and the said Waterworks Company shall issue to the said

City of New Orleans, to be exchanged with the holders of said bonds, one share of full paid stock not subject to assessment, for each and every one hundred dollars of said Waterworks bonds; and the said bonds, as fast as surrendered and exchanged for stock as aforesaid, be cancelled; that for the purpose of effecting said exchange of outstanding Waterworks bonds for stock, as aforesaid, the City of New Orleans shall be entitled to all the certificates for the shares of said stock of said New Orleans Waterworks Company, and shall, by advertisement for six months in two newspapers in the city of New Orleans and two newspapers in the City of New York, give notice that it will exchange said stock at par for said Waterworks bonds at par, exclusive of the overdue coupons attached to said bonds, which shall constitute a separate demand against said city, and in case any of the said bondholders shall fail or refuse to avail themselves of this act within one year from the formation of said company, the said City of New Orleans shall not thereafter be required to make said exchange, but may retain the unused shares of stock for its own account and benefit, unless it shall prefer to continue to take up any of said outstanding bonds by exchange as aforesaid.

SEC. 3. *Be it further enacted, etc.*, That the said Waterworks Company shall be organized by the Mayor of the city, giving thirty days' notice that he will receive subscriptions of bondholders who may agree to exchange their bonds for stock as aforesaid; and the said city shall at once subscribe for stock to the amount of six hundred and six thousand six hundred dollars, and such further amount as shall equal the par value of any of said Waterworks bonds, which shall have been extinguished by said city; and as soon as, in addition to the subscription of said city, there shall be subscribers for an exchange of said bonds for stock to the extent of five hundred thousand dollars, and the said amount of bonds shall have been actually surrendered to and cancelled by the Administrator of Fi-
163 nance, the said subscribers shall assemble together, on a day to be named by the Mayor, and shall elect a Board of Directors, to consist of seven persons, four of whom shall be designated by the Mayor, and the remaining three shall be elected by said subscribers, other than said city, from amongst themselves; and the persons thus designated and elected shall constitute the first Board of Directors, and shall continue in office until the first of July, eighteen hundred and seventy-eight, and the said Board shall elect one of their number as President.

SEC. 4. *Be it further enacted, etc.*, That as soon after the election of said Board of Directors as the City Council may determine, the Mayor of the city shall transfer, by notarial act, to said New Orleans Waterworks Company the Waterworks and all the property appurtenant thereto.

SEC. 5. *Be it further enacted, etc.*, That the said Waterworks Company shall own and possess the privileges acquired by the City of New Orleans from the Commercial Bank; that it shall have for fifty years from the passage of this act the exclusive privilege of supplying the City of New Orleans and its inhabitants with water from the Mississippi river, or any other stream or river, by means of pipes and

conduits, and for erecting or constructing any necessary works or engines, or machines for that purpose; that it may contract for, purchase or lease any land or lots of ground, or the right to pass over and enter the same from time to time as occasion may require, through which it may be necessary to convey the water into said city, or to distribute the same to the inhabitants of said city; and to construct, dig, or cause to be opened, any canals or trenches whatsoever, for the conducting of the water of the rivers from any place or places it may deem fit, and to raise and construct such dykes, mounds, reservoirs, as may be required for securing and carrying a full supply of pure water to said city and its inhabitants; to enter upon and survey such lands as it may think proper, in order to ascertain the best mode of furnishing a supply of water; to
164 lay and place any number of conduits or pipes, or aqueducts, and to cleanse and repair the same, through or over any of the lands or streets of the city of New Orleans: *Provided*, the same shall not be an obstruction to commerce or free circulation; and also to have and use a common seal and alter the same at pleasure; to ordain and establish by-laws for its government and that of its officers and employees, not repugnant to this Act and the Constitution of the State and of the United States, or the ordinances of the City of New Orleans.

SEC. 6. *Be it further enacted, etc.*, That on the first Monday of July, eighteen hundred and seventy-eight, and annually thereafter, an election for directors of said company, after ten days' notice of the same and place of holding the same, shall be held, at which election there shall be elected four Directors by all the stockholders other than the City of New Orleans; and the Mayor of the city, the Administrator of Waterworks and Public Buildings, and the Administrator of Finance of said city, shall be *ex-officio* Directors of said company; the said city, through its Mayor and Administrators, shall have the right to vote at the election of Directors, and at all meetings of said stockholders, in the same manner as any other stockholders. That at all elections and all meetings of stockholders each share of stock shall be entitled to one vote. The directors elected shall serve for one year, and shall hold their offices until their successors are appointed; and no failure to elect directors at the time designated, shall prevent the Board of Directors from fixing another day for holding the election; and in case of vacancy in the Board of directors, occasioned by death, resignation or absence from the State, or other cause, the Board of Directors may fill such vacancy for the remainder of the year.

SEC. 7. *Be it further enacted, etc.*, That the stock owned by said City of New Orleans in said Waterworks Company, shall not be liable to seizure for the debts of said city.

SEC. 8. *Be it further enacted, etc.*, That the stock of said Waterworks Company may be increased to two millions of dollars,
165 for the purpose of enabling said company to improve, enlarge and extend its works: *Provided*, that the new or increased stock shall be paid for in cash or in work done for the company;

and in case of non-payment of instalments on stock subscribed for, the same may be forfeited to the use of said company.

SEC. 9. *Be it further enacted, etc.*, That the Board of Directors of said company shall have power, in addition to the authority to increase its capital stock, to borrow money for the purpose of improving and enlarging its works, and increasing the supply of pure water; and to accomplish this purpose, the said Board of Directors are hereby authorized to issue the bonds of the company to an amount not exceeding two millions of dollars, in such sums, on such terms, and bearing such rate of interest as said Board may determine, and the payment of said bonds, in principal and interest, may be secured by a mortgage of all the property and franchises of said company, including its franchise to be a corporation, and said mortgage may include the property and franchises of said company, acquired or to be acquired, and the registration of said mortgage in the office of the Recorder of Mortgages for the Parish of Orleans, shall operate on the property and franchises of said company, wheresoever situated, and shall be and continue a valid and subsisting mortgage until the payment of the debt secured by it, without reinscription: *Provided, however*, that no bond shall be issued, or mortgages given, without the consent of the Council of the city of New Orleans, and said bond shall not be sold or disposed of except on such terms as shall be approved by said Council of said city.

SEC. 10. *Be it further enacted, etc.*, That said company shall not declare or pay any dividends, except in cash, and then only out of the net semi-annual or annual receipts, after payment of expenses of operation, and the interest on its bonded debt, nor shall any dividends be declared until the contemplated works are completed and in use.

166 SEC. 11. *Be it further enacted, etc.*, That the city of New Orleans shall be allowed to use water from the pipes and plugs of said company now laid, or hereafter to be laid, free of any charge, for the extinguishment of fires, cleansing of the streets, and for the use of all public buildings, public markets and charitable institutions, and that the said company shall place, free of any charge whatever, two hydrants of the most approved construction in front of each square, where a main pipe shall be laid at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn for the extinguishment of fires, for watering the streets and cleansing the gutters, and for any other public purpose; that on the squares which do not front on the river the hydrants shall be placed on opposite sides of the streets, at an equal distance from each other and the corners. It shall be the duty of the said company, whenever main pipes shall be laid, to supply water for all the purposes herein mentioned at all times during the continuance of this charter; and in consideration thereof the franchises and property of said New Orleans Waterworks Company, used in accordance with this act, shall be exempt from taxation—State, municipal, and parochial.

SEC. 12. *Be it further enacted, etc.*, That the said Waterworks Com-

pany shall have the right in the City of New Orleans and its suburbs and adjoining lands, to use the streets and public places for the purpose of laying pipes and hydrants to run water: *Provided*, that said streets shall not be obstructed longer than necessary for such purpose, or for making repairs, and that said streets shall be restored to the same condition they were in as soon as practicable, by the said company, under the supervision of the city surveyor. In case the said Waterworks Company shall require any lot of ground in the City of New Orleans, or any lot of ground or quantity of land situated in any parish of this State, for the purpose of constructing reservoirs or other works, or for the purpose of laying pipes to conduct water to the City of New Orleans, and shall not be
167 able to agree with the proprietor or proprietors of said lot of ground or land, the said company shall have power to cause the same to be expropriated in pursuance of the general laws on the subject of expropriation for works of public utility now in force, or which may hereafter be enacted, and if the object of said company be merely to lay pipes through a piece of land or lot of ground, the expropriation shall be confined merely to the servitude it may require, and not to the rights of absolute ownership.

SEC. 13. *Be it further enacted, etc.*, That the said Water Works Company, immediately after its organization, shall proceed to the erection of new works and pipes sufficient in capacity to furnish a full and adequate supply of water, to be drawn from the Mississippi river, or elsewhere, as may be judged most expedient; that said new works and pipes shall be commenced within twelve months from the passage of this act, and shall be year by year completed, so that, within five years from the date of this act, they shall be completed so as to give an adequate supply of water to the people of the City of New Orleans, exclusive of the Fifth District. If said work be not done as above prescribed, said corporation shall forfeit all exclusive privileges granted herein, and the city shall have a right to contract with any one else for a supply of water as above provided, and to expropriate the property of the corporation hereby created. After the completion of the new works and pipes, the said company shall, from time to time, as the wants of the population may require, and when the estimated revenue on the cost of such extension shall equal ten per centum, extend their works throughout the entire limits of the city and suburbs, and any future extension of said city; and any failure by said Water Works Company to comply with this provision shall work a forfeiture of this charter.

SEC. 14. *Be it further enacted, etc.*, That the City of New Orleans, through its Council, shall have authority to apply the stock subscribed for by said city, as herein provided, to the reduction of the bonded or floating debt of the said city, on such terms of adjustment as
168 may be agreed upon between the City Council and the holders of such bonded or floating debt: *Provided*, said stock shall not be sold at less than par, and that when sold for obligations of the city, it shall only be under sealed proposals, after not less than

fifteen days' advertisement in two daily papers, to the bidder who shall offer said obligations at the most advantageous rate, the Council reserving the right to reject any and all bids.

SEC. 15. *Be it further enacted, etc.*, That the said Water Works Company shall have the right to fix the rates of charges for water: *Provided*, that the net profits of the company shall not exceed ten per cent. per annum, and shall publish sworn annual statements of its business and condition; and that the City Council shall have the power to appoint a committee, of not less than five, who shall have access to the books of the said company, and make such extracts from the same as they may deem necessary, and in case the said profits shall exceed ten per cent., the City Council shall have the right to require said company to reduce the price of water in such manner, and in such a proportion, that the profits shall never exceed the above named rates: *And provided further*, that the rates charged shall never exceed those now paid by the city, and in case said company shall refuse compliance, the demand of said city may be enforced by a writ of mandamus.

SEC. 16. *Be it further enacted, etc.*, That if any person or persons shall obstruct the said company, their successors, agents, workmen or servants, in conveying the said water into the said city and its suburbs, or shall change, alter, remove, injure or destroy any work or part of a work made by the said company, or cause to be made, for the purpose of introducing water into the City of New Orleans, under the authority of this act; or if any person shall alter, change, or pollute the water or stream which the said company shall hereafter introduce, or be preparing to introduce, such person or persons shall be indicted in the proper court for the trial of such offense, and being thereof convicted, shall be fined at the dis-
169 cretion of the court, according to the nature of the offense, and imprisoned for a term not exceeding seven years, such fine to be paid and applied to the use of said company.

SEC. 17. *Be it further enacted, etc.*, That until other works are constructed by which the present works may be dispensed with, the same shall remain under the control of the City Council, and the superintendence thereof remain in the hands of the Administrator of Waterworks and Public Buildings; but the said company shall be authorized to collect the revenues thereof and apply them to the expense of operating and extending the works. At the expiration of fifty years from the organization of the company, the city shall have a right to buy the works, conduits, pipes, etc., of the company, at a valuation to be fixed by five experts: two to be named by the city, two by the company, and the four to select the fifth expert; but should the city neglect or refuse to purchase said works, etc., as above provided, the charter of the company shall be *ipso facto* extended for fifty years longer, but without any exclusive privilege or right to supply water, according to the provisions of the charter.

SEC. 18. *Be it further enacted, etc.*, That nothing in this act shall be so construed as to prevent the city council from granting to any

person or persons, contiguous to the river, the privilege of laying pipes to the river, exclusively for his own or their own use.

(Signed) LOUIS BUSH,
Speaker of the House of Representatives.

(Signed) LOUIS A. WILTZ,
Lieutenant Governor and President of the Senate.

Approved March 31, 1877.

(Signed) FRANCIS T. NICHOLLS,
Governor of the State of Louisiana.

A true copy:
WILL. A. STRONG,
Secretary of State.

170 No. 43.] AN ACT

Relative to the Charter of the New Orleans Water Works Company and amending an Act Number Thirty-three of Extra Session of eighteen hundred and seventy-seven (1877), approved March 31st, 1877.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana in General Assembly convened*, That, at the election to be held on the first Monday of July, eighteen hundred and seventy-eight (1878), and annually thereafter, for directors of the New Orleans Water Works Company, the stockholders of the said New Orleans Water Works Company shall elect four directors; but the city of New Orleans shall not vote at said elections, she being already fully represented, for the amount of her stock, by the mayor of the city, the administrator of water works and public buildings, and by the administrator of finance, who are *ex-officio* Directors of said company.

SEC. 2. *Be it further enacted, etc.*, That section ten (10) of said Act Number Thirty-three (No. 33), of Extra Session of the year eighteen hundred and seventy-seven (1877), be amended and re-enacted so as to read as follows: "That said company shall not declare or pay any dividends except in cash, and then only out of the net semi-annual or annual receipts after payment of expenses of operation, and gradual extension, and the interest on its bonded debt."

SEC. 3. *Be it further enacted, etc.*, That section seventeen (17) of aforesaid act be amended and re-enacted so as to read as follows: "That at the expiration of fifty years from the organization of the company, the city shall have a right to buy the works, conduits, pipes, etc., of the company, at a valuation to be fixed by five experts: two to be named by the city, two by the company, and the four to select the fifth expert; but should the city neglect or refuse to purchase said works, etc., as above provided, the charter of the company shall be, *ipso facto*, extended for fifty years longer, but without any ex-
171 clusive privilege or right to supply water according to the provisions of the charter."

SEC. 4. *Be it further enacted, etc.*, That the time allowed to the said New Orleans Water Works Company to commence and proceed to

the erection of new works and pipes (as contemplated by said Act Number Thirty-three), (No. 33), shall commence six months after the organization of said company, and not from the date of the passage of said act.

SEC. 5. *Be it further enacted, etc.*, That the full, complete and adequate supply of water referred to in section thirteen (13) of said Act No. 33, shall be so construed as to require a supply of water at the height of not less than fifteen (15) feet from the ground wherever the pipes of the water works now exist.

SEC. 6. *Be it further enacted, etc.*, That the word "State" in section eleven (11) of said Act No. 33 of 1877, and in the last line thereof, be stricken out, so that the said company shall not be exempt from state taxation.

SEC. 7. *Be it further enacted, etc.*, That all laws or parts of laws contrary to the provisions of this act, or in conflict therewith, are hereby repealed to the extent that they do conflict, and that this act shall take effect from and after its passage.

(Signed) LOUIS BUSH,
Speaker of the House of Representatives.

(Signed) LOUIS A. WILTZ,
Lieutenant Governor and President of the Senate.

Approved February 26, 1878.

(Signed) FRANCIS T. NICHOLLS,
Governor of the State of Louisiana.

A true copy:
WILL A. STRONG,
Secretary of State.

172 AN ACT

To incorporate the Commercial Bank of New Orleans.

Whereas, sundry inhabitants of the city of New Orleans have petitioned this General Assembly, setting forth that they are desirous of establishing a company in the city of New Orleans, invested with banking privileges, and to be entitled the "Commercial Bank of New Orleans:" the chief object of which said company, is to be the conveying of water from the river into the city of New Orleans and its faubourgs, and into the houses of its inhabitants. *And whereas*, the said object will greatly contribute to the security of the said city from fire, and to the health and convenience of the inhabitants, and the agricultural and commercial interests of this state may be greatly promoted by extending to said company the privileges required, *therefore*,

* * * * * * * *

SECT. 4. *Be it further enacted, etc.*, That all such persons as shall become subscribers to said company, their successors and assigns, shall be and are hereby created and made a corporation and body politic, by the name and style of the *Commercial Bank of New Orleans*, and by that name shall be and are hereby made capable in law, to have, hold, purchase, to receive in payment of debts, possess,

enjoy, and retain, to them and their successors, property and estate of what nature, kind, or quality soever, or so far as is necessary to carry into complete effect the object of this charter, which is declared to be the furnishing of the city with good and wholesome water; and the same to alien, transfer and dispose of, to sue and be sued, plead and be impleaded, answer and be answered, defend and be defended, in any court or courts of record, or other place whatsoever; to have forever the exclusive privilege, from and after the passing of this act, of supplying the city and inhabitants of New Orleans and its faubourgs, with water from the river Mississippi, by means of pipes or conduits, and for erecting, constructing, or
173 working of any necessary engine; and they may contract for, purchase or lease, the right to enter and pass through, from time to time, as occasion may require, any lands or grounds through which they may deem it necessary to convey the said water into said city and its faubourgs, and to construct, dig, or cause to be opened, any canals or trenches whatsoever, for the conducting of the water of the river from any place or places that they may deem fit, and to raise and construct such dykes, mounds or reservoirs, as they may judge proper, for securing and conveying such supply of water, as aforesaid, to the said city and the faubourgs thereof, and to survey such lands as they may think proper, in order to ascertain the best mode of furnishing such supply, and to lay and place any number of conduits, pipes and aqueducts, and to cleanse or repair the same, through or over any of the lands or streets of the city of New Orleans and its faubourgs; and also to have and use a common seal, and the same to break, alter and renew at pleasure; and also, through their president and directors, to ordain, establish, and put in execution, such by-laws, ordinances and regulations as shall seem necessary and convenient for the government of said corporation; not being contrary to this act, nor to the constitution and laws of the United States, or of this state, or ordinances of the city council of New Orleans, and generally to do and execute all such acts, matters and things, as to them shall or may appertain to do; subject, nevertheless, to the rules, regulations, restrictions, limitations and provisions hereinafter specified and declared. *Provided, however*, that at any time after the expiration of thirty-five years from the passage of this act, it shall be lawful for the corporation of the city of New Orleans to purchase from the Commercial Bank of New Orleans, the water works constructed by said company, in virtue of this act—and said company shall not refuse to sell the works aforesaid, with all the rights and privileges appertaining to the same, on the terms hereinafter provided.

* * * * * * *

174 SEC. 11. *Be it further enacted, etc.*, That said company shall, within twelve months after the first election of directors, commence works and commence to procure such materials] as may be necessary to enable them to furnish the inhabitants of the city of New Orleans and its faubourgs, with sufficient water from the river at all seasons of the year; and in order that the true intent and meaning of this act be strictly adhered to and complied with, and

shall obstruct the said company, their successors, agents, workmen or servants, in conveying the said water into the said city and its faubourgs, or shall change, alter, remove, injure or destroy, any work or part of a work made by the said company, or caused to be made, for the purpose of introducing water into the city of New Orleans and its faubourgs, under the authority of this act; or if any person shall alter, obstruct, change or pollute, by any tan-yard, hog-stye, slaughter-house, dye-pot, or otherwise, the waters or streams which the said company shall hereafter introduce, or shall be preparing to introduce into the city of New Orleans and its faubourgs, under the authority given and regulations prescribed by this act, such person or persons shall be indicted in the proper court for the trial of offences within the parish of Orleans committed, and being thereof convicted, shall be fined at the discretion of the court, according to the nature of the offence, and imprisoned for any time not exceeding seven years; such fine to be paid and applied to the use of said company.

* * * * * * *

SEC. 38. *Be it further enacted, etc.*, That the corporation of New Orleans shall be supplied by the said company, free of charge, with all water necessary for the extinguishment of fires and other public purposes; nor shall the city council be subjected to any charge for water furnished to supply the gutters of the said city and fau-
178 bourgs; and that the said company, as they progress in laying acqueducts, shall place, free of any charge whatever, two hydrants of a proper construction, in front of each square, at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn, for extinguishing fires, for wetting, washing and watering the streets and gutters, and any other public purpose; that on the squares which do not front on the river, the hydrants shall be placed on opposite sides of the streets, at an equal distance from each other and the corners; that the said hydrants shall be of a proper size and made so as at all times to furnish water for the fire engines, and purposes herein mentioned; it shall further be the duty of said company to supply water for all the purposes herein mentioned, at all times, during the continuance of this charter, unless prevented by some unavoidable accident; and in case such shall occur, the repairs shall be made and the water again furnished at the expiration of the necessary delay; and the said company shall supply a sufficient quantity of clear, pure and wholesome water for the use of the inhabitants, within the limits aforesaid, at the elevation of fifteen feet, when the same may be required. *Provided however*, that said hydrants shall be under the control of the Commercial Bank.

* * * * * * *

SEC. 41. *Be it further enacted, etc.*, That the second section of this act shall not be so construed as to apply to the payment of ten dollars per share *at the time of subscribing*, on the stock subscribed for by the City Council of New Orleans. But said corporation shall, within thirty days from the organization of the first board of directors of the Commercial Bank of New Orleans, exe-

cute in the form required by the directors, the bonds of the mayor, aldermen and inhabitants of New Orleans, to the order of the president and directors of said company, for the full amount of stock subscribed by the corporation aforesaid, say five hundred thousand dollars, bearing an interest of five per centum per annum, payable in forty years, the interest on said bonds to be paid semi-an-
179 nually; and should the bonds taken by said company, from the corporation aforesaid, be sold at a premium, such premium or excess, over and above their par value, shall form a part of the sinking fund, as provided for in the twenty-third section of this act.

SEC. 42. *Be it further enacted, etc.*, That when after the expiration of thirty-five years, the said corporation of New Orleans shall be inclined to buy the said waterworks from the Commercial Bank of New Orleans, the price shall be fixed by arbitrators, five of whom shall be chosen by the president and directors of the Commercial Bank of New Orleans, and five by the City Council of New Orleans; said arbitrators not to be stockholders in said company, nor members of the City Council of New Orleans. Said arbitrators shall take into consideration the *value* of the waterworks and grounds appertaining thereto, for supplying the city and faubourgs of New Orleans with water by the said company; and if they agree, and so report, in *writing*, their award shall be binding on the respective parties. But in case of disagreement, the judge of the judicial district court in which the said waterworks are situated, shall appoint as umpires, five disinterested individuals as above, whose decision and award, *in writing*, reported to the judicial district court aforesaid, shall be binding and conclusive. And the amount so agreed upon shall be payable in the bonds of the mayor, aldermen and inhabitants of New Orleans, bearing an interest of five per centum per annum, interest payable thereon semi-annually, and redeemable in not less than ten, nor more than thirty years from the day on which said award shall be signed, and the said waterworks delivered over to the said corporation of New Orleans.

SEC. 43. *Be it further enacted, etc.*, That in case the mayor, aldermen and inhabitants of New Orleans shall deem it unadvisable or inexpedient to purchase the said waterworks from the Commercial Bank of New Orleans, as provided for in sections four and forty-two, and so notify the Commercial Bank of New Orleans thereof,
180 at any time within eighteen months thereafter, the bonds given by the mayor, aldermen and inhabitants of New Orleans, for the amount of stock owned by the corporation of New Orleans, shall be renewed by the Commercial Bank of New Orleans for twenty-five years, on the same terms and conditions as provided for in sections twenty-one and forty-one of this act; *provided, however*, the amount formed by the sinking fund herein provided, shall be applied to the payment of said bonds, as far as it will go, and the bonds only renewed for such balance as may not be made up by the sinking fund aforesaid.

SEC. 44. *Be it further enacted, etc.*, That the corporation of New Orleans shall and may continue to make use of the waterworks now

owned by the said corporation, for supplying the city with water, until the Commercial Bank of New Orleans shall be so far advanced with the works contemplated by this act, as will enable them to furnish water in such parts of the city as are now supplied by the works at present in operation; or until, by the progress of the waterworks so to be constructed, it may become necessary to remove the pipes at present in use, should such removal be found necessary.

SEC. 45. *Be it further enacted, etc.*, That the said company, in constructing the waterworks aforesaid, shall purchase from the mayor, aldermen and inhabitants of New Orleans, the pipes already laid down by said corporation, at such price as may be agreed upon by seven arbitrators, of whom the superintendent of the works proposed to be constructed shall be one, and three to be chosen by the president and directors of the Commercial Bank of New Orleans, and three by the City Council of New Orleans, whose award, as to the *value* of said pipes, for the use of said company, shall be final.

SEC. 46. *Be it further enacted, etc.*, That it shall be the duty of the said Bank to sell to the best advantage the bonds received of the mayor, aldermen and inhabitants of the city of New Orleans for their subscription, and to contract for the payment of the interest thereof, at such place or places as the president and
181 directors may deem expedient. *Provided* that any additional charge, loss or exchange, or other expenses, consequent upon the sale of the bonds, or payment of such interest in any other place than New Orleans, shall be wholly defrayed by the Bank.

SEC. 47. *Be it further enacted, etc.*, That during the first term of thirty days in which the subscription books shall remain open, as provided for in section first, no person shall be allowed to subscribe who is not a citizen of the United States and a resident of this State, of which facts the commissioners shall be the sole judges; and that all subscriptions shall be made in person, or under a notarial power, executed by not more than three persons. *Provided, however*, this section shall not be so construed as to prevent subscriptions, after the first term of thirty days, either in person or by proxy, should the books be re-opened. And that no individual, commercial firm or corporation, shall be allowed a greater number of votes than one hundred, for the election of directors of said Bank, either by proxy or otherwise, in his, her or their name.

SEC. 48. *And be it further enacted, etc.*, That the president and directors of the Commercial Bank of New Orleans may, at such time as they may deem it expedient, establish agencies at such places as they may think proper, for the purchase of bills of exchange and sale of Bank checks; and may appoint such officers as they may think proper for the administration of the same.

(Signed) ALCEE LABRANCHE,
Speaker of the House of Representatives.

(Signed) C. DERBIGNY,
President of the Senate.

Approved April 1, 1833.

(Signed) A. B. ROMAN,
Governor of the State of Louisiana.

182 *Hearing and Submission.*

Extract from the Minute Book, November Term, 1886.

NEW ORLEANS, WEDNESDAY, *February* 16, 1887.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge.
Edward C. Billings, district judge.

NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

This cause, as continued from yesterday, came on this day further to be heard before the circuit and district judges upon the application of the complainant for an injunction *pendente lite* herein and upon the defendant's plea to the amended bill of complaint of the complainant, and after hearing further argument from counsel for the parties was submitted, when the court took time to advise. The defendant was allowed a delay of 7 days to file a brief of authorities and the right was reserved to the complainant to file a reply thereto.

183 *Order Granting Injunction Pendente Lite.*

Extract from the Minute Book, November Term, 1886.

NEW ORLEANS, FRIDAY, *March* 4, 1887.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge.
Hon. Edward C. Billings, district judge.

NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

This cause came on to be heard before the circuit and district judges upon the application of the complainant for an injunction *pendente lite* and was argued by counsel.

And after due consideration thereof, considering that the Legislature failed to impose any condition upon the grant involved, and, indeed, impliedly pronounced against the grant being within the prohibited class of grants, and that all that complainant has done has been with reference to the grant as given by the Legislature, and the question whether under these circumstances courts could do more than deal with the validity of the unconditional grant;

And, further, considering the thing granted, and that the grantee was a third person; that the grant was but the reinvestiture of a debtor of the complainant with the capacity to pay its ad-
184 judged past and future debts promptly to the complainant, the court, both judges concurring, is of opinion that the facts set up by the defendant did not work any modification of the com-

plainant's charter or abridgement of its rights thereunder, and therefore it is ordered that the rule be made absolute and the injunction *pendente lite* issue herein.

Answer. Filed March 26, 1887.

U. S. Circuit Court, Eastern District of La. In Equity.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

To the honorable the judges of the circuit court of the United States for the eastern district of Louisiana:

The answer of The Southern Brewing Company, the defendant, to the amended bill of complaint of The New Orleans Water Works Company, plaintiff.

The defendant, now and at all times hereafter, saving to itself all and all manner of benefit or advantage of exception or otherwise that can or may be had or taken to the many errors, uncertainties, and imperfections in the said amended bill of complaint
185 contained, for answer thereto, or to so much thereof as the defendant is advised it is material or necessary for it to make answer to, answering, saith:

Respondent admits that by an act of the General Assembly of the State of Louisiana approved April 1, 1833, the Commercial Bank of New Orleans was incorporated, and that the chief object, as set forth in the preamble and title of said act, was to be the conveying of water from the river into the city of New Orleans and its faubourgs and into the houses of its inhabitants; that the said corporation was to have a capital of three millions of dollars, and was invested with power and capacity to acquire and hold property to enable it to carry into effect the purposes and objects of its charter, which were to be the furnishing of the city with good and wholesome water, and the same to alien, transfer, and dispose of.

And, further, that the said corporation was to have forever the exclusive privilege, from and after the passing of the act, of supplying the city and inhabitants of New Orleans and its faubourgs with water from the Mississippi river by means of pipes or conduits and for erecting, constructing, or working of any necessary engine, and that the city of New Orleans was authorized to purchase from said Commercial Bank the water works so had and constructed, together with all the rights and franchises pertaining to the same, at the expiration of thirty-five years, if it might elect so to do, upon terms and conditions set forth in the said act of the General As-
186 sembly of Louisiana; but your respondent shows that by section 33 of said act the additional privilege, right, and power was given in the city of New Orleans, its suburbs and adjoining lands laid out in town lots, to use the streets and public places for the purpose of placing pipes to run the water, with certain

restrictions as to obstruction and repair of the same. Respondent shows that this privilege to use the streets was not an exclusive privilege, but was a license or servitude expressly granted independent and distinct from the franchise of supplying or furnishing water and not included in said franchise.

2. Respondent admits the matters alleged in paragraph 2 of plaintiff's amended bill of complaint, that the Commercial Bank of New Orleans organized under said act and conducted and operated a system of water works for the period of thirty-five years after the adoption of said act.

3. Respondent has no knowledge of the matters alleged in paragraph 3 of plaintiff's amended bill of complaint, but denies that under and by virtue of any part of act approved April 1, 1833, the city of New Orleans had the exclusive privilege of furnishing or supplying the inhabitants of the city of New Orleans with water in any sense which would exclude any of the inhabitants of said city from supplying themselves with water for domestic purposes from the Mississippi river, the meaning and intention of said act of April 1, 1833, being to exclude all other persons and inhabitants of the city of New Orleans than the Commercial Bank of New Orleans or its successor from furnishing or supplying water to the public by any public system of water works.

187 4. Respondent has no knowledge of the city of New Orleans conducting and operating the system of water works or of its receiving pay from those using water until about the month of February, 1878, as is alleged in paragraph 4 of plaintiff's amended bill.

5. And respondent has no knowledge of the embarrassment of the city of New Orleans in its finances during the time it is alleged to have operated the water works or of the reasons which actuated the Legislature of Louisiana in the year 1877, at an extra session, to pass act No. 33, as is alleged in paragraph 5 of plaintiffs amended bill.

6, 7, & 8. Respondent has no knowledge of the matters alleged in paragraph- 6, 7, and 8 of plaintiff's amended bill, except as may be contained in the acts No. 33 of extra session 1877 and act No. 43 of acts 1878, approved 26th day of February, 1878, and requires strict proof of the same. Respondent denies that the effect of said acts or of any contract made thereunder by the plaintiff corporation with the city of New Orleans by plaintiff corporation was to vest the plaintiff corporation with the exclusive right and privilege to provide and furnish water to the inhabitants of the city of New Orleans to the exclusion of the right of each inhabitant of the city of New Orleans or person to supply himself with water for domestic or manufacturing purposes, whether such inhabitants or person should get the water from the Mississippi river by dipping or by pipes and trenches laid or cut by permission of the city of New Orleans and as a servitude granted through its proper officers.

188 9. Respondent admits that plaintiff corporation has acquired the full and absolute title of the water works from the city of New Orleans and such rights and privileges as the city

of New Orleans had obtained from the Commercial Bank of New Orleans, but denies that the exclusive right and privilege of furnishing and supplying the inhabitants of New Orleans from the Mississippi river deprived such inhabitants of the right of drawing the water from said river for their own domestic use.

10. Respondent, for further answer, saith that it has no knowledge of the matters alleged in paragraph 10 of plaintiff's amended bill of complaint other than is to be found in act No. 33 of acts extra session 1877, but denies that there is anything contained in said act which takes away from the inhabitants of the city of New Orleans the natural right of using the water from the Mississippi river for domestic purposes or from the city of New Orleans the right of granting to any inhabitant as a servitude the right to lay pipes under the streets of said city to draw water from the river for the domestic use of such person, the said servitude to be revoked at the will of said city.

11. Respondent has no knowledge of the matters alleged in paragraph 11 of plaintiff's amended bill of complaint and requires strict proof of the same.

12. Respondent has no knowledge of the matters alleged in paragraph 12 of plaintiff's amended bill, except as may be derived from act No. 33 of extra session 1877.

13. Respondent has no knowledge of the matters alleged
189 in paragraph 13 of plaintiff's amended bill of complaint and of the reasons which influenced said corporation to accept the said act of the Legislature and to give up to the city of New Orleans the securities it held and requires strict proof of the same.

14. Respondent admits that by section 18 of act 33 of extra session 1877 it was provided that nothing "in this act (meaning act No. 33) shall be so construed as to prevent the city council from granting to any person or persons contiguous to the river the privilege of laying pipes to the river exclusively for his own or their own use;" but respondent denies that it was the intention to leave only so much power in the city council of New Orleans as would permit them to grant the privilege or right to lay pipes to the river to persons owning property immediately contiguous to and touching the river, for your respondent avers that the right of drawing water from the river by riparian proprietors for their own use was and is a natural right so long as it does not interfere with the enjoyment of equal rights by other persons and does not endanger the property, health, or general welfare of the city of New Orleans and its inhabitants; and respondent is informed and believes and so avers that said section 18 of act 33, extra session 1877, does not in terms prohibit nor does any part of said act prohibit the city council of New Orleans from granting to any inhabitant or person of the city of New Orleans the right to lay pipes through or over the streets of New Orleans, and that it was a right long exercised and enjoyed by persons before the passage of said act of 1877 to draw water
190 from the river for their own use by means of pipes across

and through the public streets and public places of the city of New Orleans.

15. Respondent, for answer to paragraph 15 of the amended bill, says that it has no knowledge of any matter alleged therein, but denies that any rights were vested in plaintiff corporation on account of ignorance of persons dealing with it or by any wrongful interpretation placed upon acts of the Legislature referred to.

16. Respondent, for answer to the 16th paragraph of plaintiff's amended bill, says that the matters complained of affect the city of New Orleans, and that this respondent is not to be charged with any failure on the part of said city to keep faith with the plaintiff corporation or to observe its contracts, if any, it made with plaintiff.

17. Respondent saith, for answer to paragraph 17th of plaintiff's amended bill of complaint, that it is ignorant of any bad faith on the part of the city of New Orleans in its alleged contract; reiterates with plaintiff corporation and is not called upon to defend the said city in the attack made upon its fair dealing; and, further, respondent denies that it is responsible for any alleged breach of contract by the said city. It is informed and believes and so avers that if there was a contract between the plaintiff corporation and the said city of New Orleans the provisions of section ten of article one of the Constitution of the United States have not been violated by any law of the State of Louisiana impairing the obligation of any contract or grant wherein the plaintiff corporation has any
191 interest. It is advised and believes and so avers that the protection of section ten of article one of the Constitution of the United States does not apply to any license or permission or servitude given to a person or corporation by and under an ordinance and contract of a municipal corporation to invoke the aid of the jurisdiction of this honorable court to protect it against the breach of a simple contract, if there be any contract at all, when it does not show to this honorable court the enactment of any law by the Legislature of Louisiana impairing a contract or grant, and particularly as the city of New Orleans is not a party to said suit.

18. And respondent denies the allegations contained in paragraph 18th of plaintiff's amended bill of complaint as stated, and avers the facts to be that on the 7th day of May, 1884, the city of New Orleans, through the Hon. Joseph Valsin Guillotte, mayor of the city of New Orleans, acting in his official capacity and being specially authorized and empowered by ordinance No. 628, council series, adopted by the council of the city of New Orleans, and respondent corporation, The Southern Brewing Company, entered into a contract before Joseph D. Taylor, a notary public for the parish of Orleans, whereby the city of New Orleans did grant and confirm unto the said The Southern Brewing Company the right to construct and maintain a water-supply pipe from its brewery through Toulouse street to the Mississippi river, on condition that said brewing company shall do all work connected therewith at its own cost, charge, and expense, including the replacing of the streets, stones,

and paving under the direction and to the entire satisfac-
192 tion of the city surveyor and the commissioner of public works of the city of New Orleans: And provided further, that said Southern Brewing Company shall execute and sign a notarial contract, with good and solvent security, in the sum of five thousand dollars ($5,000), conditioned that it shall properly restore the streets and crossings through which said pipe may pass; and respondent avers that the Southern Brewing Company, through the president, Peter Blaise, acting for and on behalf of the said brewing company, did accept said ordinance No. 628, with its privileges and advantages, and subject to all its requirements and penalties, and did bind itself, as required, with two good and solvent sureties, viz., Hermon H. Bierhorst and Peter Blaise, in the sum of twenty-five hundred dollars each, in the proper contract. A duly certified copy of said notarial act and of said city ordinance No. 628 will be produced at the hearing of this cause. And that subsequent to said agreement and contract your respondent constructed and completed, and have since about the 1st day of December, 1884, used the supply pipe to draw water from the Mississippi river to use for the manufacture of beer and malt liquor on their premises exclusively.

19. Respondent admits that it is engaged in carrying on the manufacture of malt liquor in a large brewery owned and operated by it, on Villere street, between Toulouse and St. Louis streets, in the city of New Orleans, and uses a large quantity of water, but is not able to state or to approximate the quantity. Respondent avers its willingness to submit to any examination of its affairs
193 that will enable the information to be furnished, if this honorable court may so determine to be necessary. Respondent admits that while and so long as its brewery is in operation it will require a large quantity of water; how much it is unable to state or to approximate.

20. Respondent, for answer to paragraph 20th of said amended bill, says that since the month of December, 1884, the Southern Brewing Company, having constructed and completed the supply pipe to the Mississippi river under the terms and conditions named in ordinance No. 628, council series, of the city of New Orleans, which ordinance was asked for and obtained by respondent corporation, has by its own machinery pumped water from the Mississippi river for its own domestic use and for manufacturing purposes exclusively, but not at all in violation of any vested or exclusive right of the plaintiff corporation, as is alleged.

21. Respondent denies that said act was wrongful, and, moreover, that if it was, says that plaintiff corporation cannot, in this court and in this suit, have any relief, because this court is without jurisdiction, both plaintiff and defendant being artificial persons, residents of the State of Louisiana and there being no law of Louisiana which has impaired the obligation of any contract or grant, as is alleged by plaintiff.

22. Respondent admits that its brewery is not contiguous to the Mississippi river within the meaning of section 18 of acts of extra session of 1877.

23. Respondent, for answer to the paragraph 23 of the
194 amended bill of complaint, saith that it is not allied with the city of New Orleans in any way and does not pretend that the said city has any right to disregard any of its lawful obligations, or that it, the said city, can commit or effect any breach of good conscience by reason of the provisions contained in article 258 or any other article of the constitution of Louisiana known as the constitution of 1879; nor has the defendant corporation joined with the city of New Orleans in asserting its right to disregard its obligations and the Constitution and laws of the United States or to practically confiscate the property of the plaintiff corporation, as is alleged by plaintiff.

24. Respondent, further answering, saith that it is unconscious of having done or of continuing to do any wrong or fraudulent act, and demands strict proof of the alleged fraudulent act; nor is it aware of having violated any of the provisions of the Constitution of the United States or of the settled adjudications of the Supreme Court of the United States. Respondent knows nothing of the value of the bonds surrendered in exchange for shares in the plaintiff corporation, but denies the allegations as made, and expressly denies any bad faith or unfair dealing on the part of the defendant corporation, resorted to, as is alleged, to injure the shareholders and further depreciate the property invested in said shares.

Respondent further denies the allegations contained in paragraph 23 except as may be admitted herein, and says that the plaintiff
195 corporation, finding that the charter of 1877 contained in act 33, extra session acts 1877, imposed conditions too onerous, particularly section 13, requiring a full and adequate supply of water to be drawn from the Mississippi river or elsewhere as might be judged most expedient for the whole city, excluding the fifth district, on the right bank of river, and requiring the company immediately after its organization to proceed to the erection of new works and pipes and limiting the time for the new works and pipes to be commenced to twelve months from the 31st March, 1877, applied to the Legislature for an amendment of the charter, and obtained the act No. 43 of acts 1878. Respondent denies that the city of New Orleans had anything to do with applying for such legislation, and is informed and believes that certain bondholders of the city of New Orleans, who afterwards became shareholders of plaintiff corporation, were the promoters of said legislation, and that their purpose and motive was to exchange depreciated water-works bonds for a security that would be rendered more valuable by the legislation applied for.

Respondent avers that said act as to its scope and effect speaks for itself, and that it is what it purports to be—an amendment of the charter of the New Orleans Water Works Company and of act No. 33, acts extra session 1877.

That by the 11 section of act 33 of extra session acts 1877 it was stipulated that the city of New Orleans shall be allowed to use water from the pipes and plugs of said company now (then) laid or here-

after to be laid, free of any charge, for the extinguishment of
196 fires, cleansing the streets, and for the use of all public buildings, public markets, and charitable institutions, and that the said company shall place, free of any charge whatsoever, two hydrants of the most approved construction in front of each square where a main pipe shall be laid, at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn for the extinguishment of fires, for watering the streets and cleansing the gutters, and for any other public purpose; and it was made the duty of the said company, whenever main pipes shall be laid, to supply water for all the purposes therein mentioned at all times during the continuance of the charter. In consideration thereof the franchises and property of said New Orleans Water Works Company used in accordance with the act were to be exempt from taxation—State, municipal, and parochial. Now, defendant avers that by the act No. 43 of acts 1878, among other amendments was one striking out the word "State," in section 11 of said act 33, extra session acts 1877, so that the company should not be exempt from State taxation. The said word "State" was stricken out of the charter because it was well known that no property could be exempted from taxation unless the property was actually used for church, school, or charitable purposes, and therefore that no force and effect could be derived from it being in the charter; and respondent avers that it was equally well known and settled that under the constitution of Louisiana, known as the constitution of 1868, neither State nor municipal authority could validly exempt property from city taxation, either by commutation of such taxes or in any other man-
197 ner, and that said exemption contained in the act 33 of acts 1877 was unlawful, and that it had been so decided by the supreme court of Louisiana more than one year prior to the passage of said act, in the case of New Orleans *vs.* Lafayette Insurance Company, a case well known to the city and to the profession.

Respondent denies that the city of New Orleans acted with any bad faith, but avers the truth to be, as it is informed and believes, that the said exemption from municipal taxation was not a real consideration. Respondent shows that when the case came to the supreme court of Louisiana as to whether the exemption in *in* the plaintiff's charter was lawful in the case of City of New Orleans *vs.* New Orleans Water Works Company, reported in 36 Annual, at page 432, the court decided that the company could not claim an exemption under its contract and under the constitution of 1868. Respondent denies that the exemption from municipal taxation was the consideration, either sole or partial, for the supply of water to the city, but alleges that other valuable privileges were claimed in said charter and were adequate and large for any water that might be furnished to the city of New Orleans for its public markets, buildings, charitable institutions, streets, or any other public purpose.

Respondent denies that the city had any intention or purpose of contracting with the plaintiff corporation after it was settled and determined in the supreme court of Louisiana that the plaintiff cor-

poration was liable to municipal taxation, or that the city was
198 demanding more water for public use than it was entitled to under the act No. 33 of acts 1877, but the truth is, as respondent is informed and believes and so avers, that immediately after the decision in the case of the City of New Orleans *vs.* The New Orleans Water Works Company, reported in 36 Annual, at p. 432, was rendered in April, 1884, the plaintiff corporation, baffled and defeated in its claim of exemption from municipal taxation, and finding that it was liable for municipal taxes from 1878, immediately commenced to work to escape the effect of said decision. The Legislature of Louisiana being about to assemble, in the month of May, 1884, the said plaintiff corporation gave notice, under article No. 48 of the constitution of 1879, of its intention to apply for a special or local law in the Daily States, a newspaper published in city of New Orleans, and paid for the said notice; that afterwards the said plaintiff corporation employed an attorney to draw up the special act of which notice had been duly given, and one of the largest stockholders in the said plaintiff corporation actively assisted and promoted the passage of said act through the Legislature of the session of 1884; that said — was approved July 7th, 1884, and is act No. 56 of acts 1884; that the title of said act provides for, among other things, obtaining a supply of clear or filtered water by the New Orleans Water Works Company and to enable the city of New Orleans to contract for the same, and to regulate the payment of taxes imposed on said company contrary to the exemption given in its charter and to put into effect section 11 of act No. 33 of 1877, extra session, in instances of refusing or contrary to the exemption therein. By the terms
199 of said act, procured and promoted by said plaintiff corporation, the said city of New Orleans, notwithstanding that it had the right under the constitution of 1868 and under the constitution of 1879 to the municipal taxes from the plaintiff corporation since 1878, when the said company was organized, was empowered and required to pay the said company the value of all the water the said plaintiff company had supplied or should supply during any year or years for which the taxes had been or should be levied to or for the use and purposes of the city of New Orleans, its public buildings, markets, or for streets, gutters, extinguishment of fires, or for other public purposes; that by section 2 of said act, in all instances of taxation contrary to said exemption (referring to section 11 of act 33, extra session act 1877), or any future years, the city of New Orleans shall provide in its budget or shall set apart and appropriate a sum sufficient to pay for the said water supply for said year or years, and unless this be observed and done the said company shall not be compelled to deliver water for the uses and purposes aforesaid. By section 3 of said act it was provided that any taxes already imposed for any year contrary to said exemption shall not be exacted nor any penalty or interest accrued be demanded thereon or any begin to run until said city shall have provided for the payment of the water supplied in said year or provision made therefor by remedy at law or equity.

By section 4 of said act, to secure the inhabitants of New Orleans

and to the use of the city a supply of filtered or clear
200 water, the city of New Orleans was empowered to contract with said company and determine upon terms and conditions and fix a price for obtaining from said company such supply of clear or filtered water. After commanding and directing the city to write into its contract with the plaintiff corporation, as made by the terms of the act 33 of extra session acts 1877, new covenants and conditions in the most peremptory manner, the act conceived and promoted by plaintiff corporation — their attempts to hedge for the said company, and, with glaring inconsistency with its previous sections, provides in section 5 that nothing in the act shall be construed as in any manner abridging or otherwise affecting any of the rights, franchises, and privileges heretofore granted to said company.

Respondent is advised and believes and so charges that after said act was thus advertised for, drawn up, and promoted and passed by the action, influence, and aid of plaintiff corporation, by its officers, agents, and shareholders, the said plaintiff corporation, by its officers, agents, and shareholders, induced the city council of New Orleans to believe that said act was mandatory, and that it was the plain duty of the city council to comply with and carry out said act, and to pass an ordinance to carry into effect said act, and by its and their influence, exercised in behalf of said corporation on the said city council, secured the passage of ordinance No. 909, council series, of the city of New Orleans; that under said ordinance a contract was then made carrying out the provisions of act No. 56 of acts
201 1884, and the plaintiff, through its duly authorized agent and officer, accepted and has received the benefits of the same.

Duly certified copies of said contract, made and passed before Joseph D. Taylor, a notary public for the parish of Orleans, and of the ordinance No. 909, council series, of the city of New Orleans, will be produced on the trial of the cause.

Respondent is informed and believes and so avers that the acceptance by the plaintiff corporation of the benefits of the said contract and city ordinance is the acceptance of the act No. 56 of acts of 1884, and that the effect of the acts and conduct of said plaintiff corporation in advertising and giving notice of its intention to apply for such special or local legislation—the promoting of said act No. 56 of acts 1884, its acceptance by said company, and the contract made by said company with the city of New Orleans—was to make a substantial amendment and alteration of the charter of said The New Orleans Water Works Company, as contained in act 33 of extra sessions acts 1877 and the amendatory act 43 of acts 1878; and respondent avers that the said plaintiff corporation, having voluntarily consented to the said alteration and amendment of its charter by procuring the aforesaid legislation and accepting the benefits thereunder, has acquiesced in the decision of the supreme court of Louisiana in the case of New Orleans Water Works Company, reported in the 36 Annual, at page 432, and has brought itself under the provisions of article- 234, 248, and 258 of the constitution of 1879, it being expressly provided

by said article 234 that the General Assembly shall not
202 pass any general or special law for the benefit of any corporation except upon the condition that such corporation shall thereafter hold its charter subject to the provisions of this constitution; and it being further expressly provided by articles 248 and 258 of said constitution that the monopoly features in the charter of any corporation now (then) existing in the State, save such as may be contained in the charters of railroad companies, are (were) abolished, having voluntarily and by its own free will and consent accepted a modification, alteration, and amendment of the terms of its charter wrought by such special legislation.

Respondent avers that plaintiff corporation after July 7th, 1884, lost its exclusive privilege, if such it ever had, to furnish and supply the city of New Orleans and its inhabitants with water from the Mississippi river or any other stream or river by means of pipes, and for erecting and constructing any necessary works or engines or machines for that purpose; and respondent avers that plaintiff corporation, no longer having any exclusive privilege, if such it *were* had, which is expressly denied, has no right or claim to relief from this honorable court.

And respondent denies that any additional obligations or burdens were imposed by the act No. 56 of acts 1884 or by the city of New Orleans upon the plaintiff corporation in the contract made and entered into on or about the 4th day of October, 1884, and is advised and believes and so avers that the pipes and machinery of the plaintiff company were old and greatly in need of reconstruc-
203 tion and repair and entirely inadequate to supply water to the city of New Orleans and its inhabitants, and that new works and repairs to the old works, pipes, and machinery had become necessary to enable the plaintiff corporation to do business with any profit, and no additional expense was incurred other than the necessities of their business required and demanded.

Respondent specially denies any attempt to invade the rights of plaintiff corporation as vested in them by their charter, and avers that if the plaintiff corporation has lost any of its privileges or sustained any depreciation of its property it has been occasioned by the active energy of its own agents and by its full consent and by its attempt to charge the city of New Orleans with an onerous contract to continue through the corporate existence of said plaintiff company; that it is estopped from alleging the unconstitutionality of said act No. 56 of acts 1884 by its active assistance in procuring the passage and approval of said act and from having fully accepted its fruits and benefits.

25. Respondent admits that since its supply pipe was laid to the Mississippi river it has used the water pumped by its own machinery for its domestic and manufacturing purposes exclusively.

26. Respondent denies the allegations of plaintiff's amended bill contained in paragraph 26, and says that the pipes and mains of the New Orleans Water Works Company leading to defendant's brewery are insufficient to furnish an adequate supply of water for the defendant's purposes in its business, and says that the pressure is

not sufficient to pump the supply needed by defendant, and
204 that at night or when a fire of any magnitude occurs in the city the supply is entirely inadequate for continuous use by the brewery; that the use of water by the brewery is constant, night and day, every day in the week, and that the supply of water by the plaintiff company is not constant, but irregular, uncertain, and altogether unreliable, owing, as defendant is advised and believes, to defective machinery, want of pressure to force the water over a large area of territory, and absence of force at night and on Sundays, besides being muddy and impure and requiring much additional expense to cook, distill, or prepare it for use in the brewery. Respondent denies that plaintiff has or had any claim to remuneration for the water used by defendant corporation, the said water being free to all the inhabitants of the city of New Orleans to use for domestic purposes and manufactories; and defendant denies having violated any contract between it and plaintiff company. Respondent is not able to state or to approximate the amount of water that it has drawn and used or the amount that it will use from the Mississippi river.

27. Respondent admits that it will continue to draw and use water as it is now using it, conceiving that it has the right so to do, but denies any intention to encourage evil-disposed persons.

28. Respondent has no knowledge of the affairs of the plaintiff company, but now and at all times maintains its right to use water as it has done without interference or disturbance by plaintiff.

29. Respondent avers that it is not called upon in this suit to defend the city of New Orleans against the charge of fraud pre-
205 ferred against it, the said city not being a party thereto, and specially denies that it has any knowledge of fraud on the part of said city, and denies that it, defendant, is acting or has acted with any bad faith in the premises and occasioned any pecuniary loss to plaintiff company, and requires strict proof of the said charge.

30. Respondent corporation denies that the plaintiff is entitled to any relief in the suit or in this court, and avers that the plaintiff has not exhibited any cause of action coming under the Constitution of the United States, and particularly under section ten of article one of said Constitution.

And now respondent, further answering, saith that the purpose and meaning of act 33 of acts 1877, extra session, was that a full supply of pure and wholesome water fit for use should be furnished to the city of New Orleans and its inhabitants, but that plaintiff company had failed to furnish a full supply of water, and that such water as it does furnish is not pure and wholesome. Respondent shows that the water as pumped by said plaintiff company has to be cooked, distilled, or filtered, before it can be used for any purpose by defendant, at an additional cost, and that it never was the intention of the Legislature of Louisiana or of the city of New Orleans to burden the inhabitants of said city with a monopoly that would impose on the consumers of water a quantity of muddy, im-

pure, and unwholesome water and tax them for the same as if a full supply of clear, pure, and wholesome water was supplied.

206 And defendant corporation denies all unlawful combination or fraud wherewith it is charged in said amended bill of complaint; and, having fully answered said amended bill, prays to be hence dismissed with its reasonable costs incurred.

(Signed) PET. BLAISE, *Pres'd't.* [SEAL.]

(Signed) A. GOLDTHWAITE,
Sol. for Def't.

EASTERN DISTRICT OF LOUISIANA:

Peter Blaise, being duly sworn, deposeth and saith that he is the president of The Southern Brewing Company, defendant; that he knows the contents of the foregoing answer, and that the same are true except as to such matters as are therein set forth on information and belief, and that as to all such matters he varily believes the same to be true as therein set forth.

(Signed) PET. BLAISE.
ERNEST PRAGST, JR., *Sec'ty.*

Sworn to and subscribed before me this 26th day of March, A. D. 1887.

(Signed) T. McC. HYMAN,
Commissioner U. S. Circuit Court,
Eastern District of Louisiana.

207 *Petition to Modify Injunction Pendente Lite. Entered and Filed 26 March,* 1887.

U. S. Circuit Court, Eastern District of Louisiana. In Equity.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

The petition of the Southern Brewing Company respectfully represents that the injunction *pendente lite* allowed in the cause on the — day of ——, 1887, is about to be enforced. Petitioner shows that the said injunction has issued without bond; that it will operate to make this defendant discontinue its supply pipe from the Mississippi river and involve your petitioner in great expense for the cost of water to supply the brewery and greatly inconvenience your petitioner. Petitioner has filed its answer to the amended bill of complaint and will speed the cause to a final determination. Your petitioner avers its willingness to enter into any bond that this court may require to secure plaintiff company, if it can be allowed to continue the use of its own supply pipe until this suit is finally decided and its right determined, and shows that the supply of water which the plaintiffs can furnish through the pipes and mains now in use is insufficient in quantity, not constant, and unreliable for the continuous use of the defendant's brewery.

Wherefore petitioner prays that an order be entered modi-
208 fying the injunction *pendente lite* heretofore allowed, and granting to the defendant corporation in said suit the right to enter into bond in such sum as to your honors may seem proper, with good and sufficient surety, to continue the use of water from its own supply pipe until this suit be finally determined, or that plaintiff corporation be required to give bond, with good and sufficient security, conditioned as the law requires, before said injunction *pendente lite* shall go into effect.

(Signed) A. GOLDTHWAITE,
Sol'r for Petitioner.

Order.

Let the within petition be filed and let the complainant show cause on Saturday, the 2nd day of April, A. D. 1887, at 11 a. m., why the injunction *pendente lite* herein issued should not be modified in the manner and form prayed for.

26 March, 1887.

(Signed) EDWARD C. BILLINGS, *Judge.*

Marshal's Return.

Received March 28, 1887. On the 28 day of March, 1887, I served a true copy of the within petition on New Orleans Water Works Company by handing the same to J. R. Beckwith, an attorney of record, in person.

(Signed) R. B. PLEASANTS,
U. S. Marshal.
JNO. BAKER,
Deputy U. S. Marshal.

209 *Replication. Filed April 2, 1887.*

EASTERN DISTRICT OF LOUISIANA, *ss:*

Circuit Court of the United States, Eastern District of Louisiana.
In Equity.

The replication of The New Orleans Water Works Company, complainant, to the answer of The Southern Brewing Company, defendant.

Replication. No. 11351.

This repliant, saving and reserving unto itself all and all manner of exception to the manifold insufficiencies of the said answer, for replication thereunto saith that it will aver and prove said bill to be true, certain, and sufficient in law to be answered unto, and that said answer of said defendant is uncertain, untrue, and insufficient to be replied unto by this repliant; without this, that any other matter or thing whatsoever in said answer contained material or effectual in law to be replied unto, confessed and avoided, traversed or

denied, is true; all which matters and things this repliant is and will be ready to aver and prove as this honorable court shall direct, and humbly pray as in and by said bill it hath already prayed.

(Signed) J. R. BECKWITH,
Solicitor and Counsel for Complainant.

210 *Affidavit of J. P. Cotaya. Filed April 2, 1887.*

THE STATE OF LOUISIANA, }
City of New Orleans. }

Personally appeared before me, the undersigned authority, John P. Cotaya, who, being duly sworn, deposes and says that he is the chief engineer of the Southern Brewing Company, which position he now holds and has held since the organization of the company about November, 1883; that he has and had been since that time — the entire charge of the machinery of the brewery, and is well acquainted with the supply of water necessary to the operation of said brewery; that previous to the laying of the pipe of the brewery to the river and when the brewery was supplied by the New Orleans Water Works Company the supply of water furnished by the New Orleans Water Works Company was inadequate and very irregular and not reliable, and in case of a fire of any magnitude, as has happened, notably, when the Solari property was destroyed, the supply was feeble and altogether inadequate for the brewery; that at night the supply of water was always feeble, owing to there being no head or pressure, and that it is equally feeble and slow on Sundays; that whenever the plugs were opened for the purpose of flushing or cleansing the pipes of the said company the water of the brewery had to be cut off, the brewery having to be notified by the said company;

211 that at all times the brewery had to employ its own machinery to pump the water up into the upper stories of the brewery, there being no head or pressure at the water works to force the water into said upper stories; that the same machinery now in the use of the brewery and belonging to the brewery is used to pump the water from the river and to pump it into the upper stories of the said brewery. Affiant says that in case of any break in the pipes of the company towards Canal street or in case of a fire at any time the same trouble is likely to occur; that the brewery has to continue its operations night and day, and Sundays as well — other days, never stopping; that the supply of water must be regular and continuous for its proper conduct; that from the experience of the brewery with the said water-works-company pipe he believes the supply of water which can be furnished by said company is inadequate and very irregular and subject to many contingencies, and that the brewing company is liable to damage and loss at any time if the said company is compelled to use the pipes of the water works company and to discontinue the use of its own pipes and machinery.

(Signed) JOHN P. COTAYA.

Subscribed and sworn to before me, a duly qualified notary public in and for the parish of Orleans, State of Louisiana, this 1st day of April, 1887.

[SEAL.] (Signed) J. D. TAYLOR, *Not. Pub.*

212 *Affidavit of Gardner. Filed April 2, 1888.*

Circuit Court of the United States, Eastern District of Louisiana. In Equity.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

EASTERN DISTRICT OF LOUISIANA, *ss:*

L. H. Gardner, being duly sworn, deposeth and saith that he is the superintendent and manager of the New Orleans Water Works Company, and has been in charge of the water supply and management of said company for more than three years now last past; that he is well acquainted with the distribution system of said company, the location and capacity of its mains and supply pipes, and has recently made special examination of the system of supply mains leading to the premises of the said defendant brewery; that with a view to the supply of said brewery he has recently made examination anew of the said system leading to said brewery, and also has made and caused to be made a survey and estimate of the daily water supply requisite for the operation of the said brewery of said defendant, taking the estimate of the supply demanded by the officer of said defendant company; that, as given by the rep-
213 resentations of the defendant company, the daily water supply demanded and required will amount to only about fifty thousand gallons *per diem;* that with its present facilities for delivering water on said premises the plaintiff can deliver on said premises two hundred thousand gallons of water *per diem*, using only its present conveyance; that in the immediate vicinity of said defendant premises there are two eight-inch water mains, from which connection with said premises can be made and from which an almost unlimited water supply can be taken into said premises or a supply beyond any possible demand of said defendant for any manufacturing demand of said defendants and to meet any possible expansion of the business or manufacture of said defendants on said premises.

That the plaintiff company has made offer to supply said premises of said defendant and said defendant with all water demanded on said premises at a rate reasonable and for a price fair and reasonable, predicating a large deduction from the rates which this plaintiff is by its charter allowed to charge therefor upon the considerable quantity demanded.

That there are a large number of persons and corporations in the city of New Orleans engaged in the same character of violation of the rights of the plaintiff as those restrained by the injunction in this cause and against whom the complainant will be com-

pelled to proceed by bill in equity to protect their rights and property, and who have not desisted upon the judicial determination of the rights of complainant in the causes already heard and determined, and that the acts of those invading the rights of the
214 plaintiff under the pretended authority of like grants from the city of New Orleans of the character set up by the defendant have not only greatly affected the revenue of the company, but have also seriously impaired the value of its stock and functions in the markets of the country.

(Signed) L. H. GARDNER.

Sworn to and subscribed before me, notary, at New Orleans, this April 2, 1887.

[SEAL.] (Signed) ANDREW HERO, *Not. Pub.*

Hearing and Submission of Rule to Modify Injunction.

Extract from the Minute Book, November Term, 1886.

NEW ORLEANS, SATURDAY, *April* 2, 1888.

Court met pursuant to adjournment.
Present: Hon. Edward C. Billings, district judge.

NEW ORLEANS WATER WORKS COMPANY
vs.
SOUTHERN BREWING COMPANY. } No. 11351.

215 This cause came on this day to be heard on the motion of defendant to modify the injunction *pendente lite* herein, J. R. Beckwith appearing for complainant, Alfred Goldthwaite for the defendant, and was argued by counsel and submitted, when the court took time to consider.

Motion and Order Appointing Examiner.

Extract from the Minute Book, November Term, 1886.

NEW ORLEANS, SATURDAY, *April* 2, 1887.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

On motion of J. R. Beckwith, solicitor for compl-inant, and on suggesting to the court that this cause is now at issue on bill, answer, and replication, it is ordered that E. R. Hunt be appointed special examiner to take and return the proofs, depositions, and evidence in this cause.

216 *Motion and Order to Extend Time for Taking Testimony.*

Extract from the Minute Book, November Term, 1887.

NEW ORLEANS, THURSDAY, *November* 24, 1887.

Court met pursuant to adjournment.
Present: Hon. Edward C. Billings, district judge.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

On motion of A. Goldthwaite, Esq., solicitor for defendant corporation, and on suggesting to the court that the examiner, E. R. Hunt, was absent from New Orleans, as well as some of the important witnesses to be examined during the summer months, it is ordered by the court that the time for taking testimony of the witnesses for defendant be extended to the second Monday of January, 1888, and that complainant's solicitor be notified.

Motion and Order to Fix.

Extract from the Minute Book, April Term, 1888.

217 NEW ORLEANS, SATURDAY, *May* 5, 1888.

Court met pursuant to adjournment.
Present: Hon. Edward C. Billings, district judge.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

And now comes the defendant, The Southern Brewing Company, by its solicitor, and moves this hon. court to fix the above-entitled cause for trial, to be heard on Thursday, the 10th day of May, 1888, the time for taking testimony having long since elapsed, and that the complainant's solicitor be notified.

Order as to Agreement.

Extract from the Minute Book, April Term, 1888.

NEW ORLEANS, THURSDAY, *May 10th*, 1888.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge; Hon. Edward C. Billings, district judge.

218 NEW ORLEANS WATER WORKS COMPANY
vs.
SOUTHERN BREWING COMPANY. } No. 11351.

By agreement of counsel of this date in open court and upon suggesting that the testimony taken before the examiner in this cause

has not yet been returned into the clerk's office, it is ordered that when said testimony is returned it be filed *nunc pro tunc* as of the present date. It is further ordered that publication of testimony be passed herein upon said testimony hereafter to be received, and that the note of the offering of evidence of the respective parties be also entered *nunc pro tunc* as of the present date. It is further ordered that the testimony introduced in the Southern Brewing Company case, No. 11351, be taken and used in the People's Ice Manufacturing Company case.

Hearing and Continuance.

Extract from the Minute Book, April Term, 1888.

NEW ORLEANS, THURSDAY, *May* 10, 1888.

Court met pursuant to adjournment.

Present: Hon. Don A. Pardee, circuit judge; Hon. Edward C. Billings, district judge.

219 NEW ORLEANS WATER WORKS COMPANY *vs.* THE SOUTHERN BREWING COMPANY. } No. 11351.

This cause came on this day to be heard before their honors the circuit and district judges upon pleadings and proofs—present, J. R. Beckwith, solicitor for complainants; Alfred Goldthwaite, Esq., for the defendants—and after being partially argued by counsel the court ordered said cause to go over to Saturday, the 12th instant, at 11 a. m.

Order as to Evidence Offered.

Extract from the Minute Book, April Term, 1888.

NEW ORLEANS, SATURDAY, *May* 12, 1888.

Court met pursuant to adjournment.

Present: Hon. Don A. Pardee, circuit judge; Hon. Edward C. Billings, district judge.

NEW ORLEANS WATER WORKS COMPANY *vs.* SOUTHERN BREWING COMPANY. } No. 11351.

220 On application made to the court by the parties hereto, it is ordered by the court that the statement and note of evidence required by the rule of the circuit court for this circuit in equity causes, concerning the statement of evidence and note of evidence in a case, shall be considered as complied with by the parties offering the evidence and exhibits and proofs as shown by the report of the examiner, and that the same stand as a compliance with the rule; and thereupon the parties hereto offered in evidence the bill and answers and all exhibits to the bill and answer and all exhibits, depositions, and proofs as shown and contained in the report of the examiner in this cause.

Certificate and Return of Examiner. Filed May 12, 1888.

Circuit Court of the United States, Eastern District of Louisiana.

THE N. O. WATER WORKS CO.
vs.
THE SOUTHERN BREWING CO. } No. 11351. In Equity.

To the hon. the judges of the circuit court of the U. S.:

Pursuant to notice given to parties on the 18th day of May, 1887, the said parties appeared before me on May 19th, 1887—the
221 complainant represented by J. R. Beckwith, Esq., its solicitor, and the defendant by Alfred Goldthwaite, Esq., its solicitor—when the said defendant offered in evidence the following:

Ordinance of the city of New Orleans, No. 909, C. S., to carry out the provisions of the act of the Legislature, No. 156 of the acts of 1884, providing for the future water supply from the N. O. Water Works Co. to the city of New Orleans and certain institutions, and regulating the use of water and the payment therefor, marked Exhibit "A," and the certificate connected therewith of A. L. Bowers, chief clerk, dated July 30th, 1886.

Also a certified copy of the contract between the city of New Orleans and the N. O. Water Works Co., passed before Jos. D. Taylor, notary public, on October 3rd, 1884, marked Exhibit "B;" also a certified copy of the contract and bond of the Southern Brewing Co. made with the city of New Orleans, passed before Jos. D. Taylor, notary public, on May 7th, 1884, said contract containing the ordinance No. 628, C. S., adopted by the council of the city of New Orleans on March 18th, 1888, and marked Exhibit "C."

The following witnesses *are* produced and examined for defendant: A. P. Cotaya; after which the examination was adjourned to Friday, May 20th, 1887, at 3 o'clock p. m.

FRIDAY, *May 20th*, 1887.

Testimony was resumed on behalf of defendant this day, at 3 o'clock p. m.

Present: J. R. Beckwith, for complainant; Alfred Goldthwaite, for defendant.

222 Mr. Goldthwaite offered in evidence a copy of the contract between the city of New Orleans and the N. O. Water Works Co., passed before Jos. D. Taylor, notary public, on October 3rd, 1884, marked Exhibit "G;" also a certified copy of extracts from the minutes of a special meeting of the board of directors of the N. O. Water Works Co. held at the city of New Orleans, in the office of said Co., on the 27th day of September, 1884, together with the certificate annexed thereto of J. D. Taylor, N. P., dated N. O., May 19th, 1887, marked "H;" also a copy of a notice of the intention to apply to the General Assembly for an act or law to regulate the use by the people of municipalities, of political corporations, for public and other purposes, signed by the N. O. Water Works Co. and published in the Daily

States newspaper for a period of thirty (30) days, consecutively, beginning on the 30th April, 1884, together with the affidavit of S. S. Gregory, cashier of the Daily States newspaper, dated May 19th, 1887, marked "J."

One witness was produced, sworn, and examined for defendant—Peter Blaise—after which the examination was adjourned to May 23rd, 1887, at 11 o'clock a. m.

NEW ORLEANS, *May 23rd*, 1887.

Present: J. R. Beckwith, for complainant.
Alfred Goldthwaite, for defendant.

After an entry of withdrawal in part by Mr. Beckwith of objecjections made to Exhibit J and affidavit the examination was adjourned to Friday, May 27th, 1887, 3 o'clock p. m.

223 NEW ORLEANS, *May 27th*, 1887.

Present: J. R. Beckwith, for complainant.
Alfred Goldthwaite, for defendant.

Mr. Beckwith, for complainant, offered in evidence—

Acts of the State of Louisiana, approved April 1, 1833, establishing and chartering the Commercial Bank of New Orleans, and marked B 1.

Also act No. 33 of the extra session of the Legislature of the State of Louisiana, held in 1877, being the 1st act relating to the charter of the complainant, and marked B 2.

Also act of the Legislature of the State of Louisiana, approved February 26th, 1878, entitled An act relative to the charter of the N. O. Water Works Co., amending act No. 33 of the extra session of the Legislature of 1877, approved March 31st, 1877, and marked B 3.

Also an act of the Legislature of the State of Louisiana, being act No. 56 of the acts of 1884, marked B 4.

Also an attested copy of notarial act passed before Andrew Hero, Jr., N. P. in and for the parish of Orleans, at that time the official notary of the city of New Orleans, on the 19th day of January, 1869, being act of transfer of property by the Commercial Bank of N. O. to the city of New Orleans, marked B 5.

Also a certified copy of a notarial act passed on the 9th day of April, 1878, before Gustave Legardeur, Jr., notary public, being an act of transfer of property from the city of New Orleans to the complainant, marked B 6.

224 Also Soard's official map of the city of New Orleans, so marked

Also a series of nineteen attested copies of ordinances of the city of New Orleans, marked from B 7 to B 26, inclusive, being copies of ordinances granting licenses or authority to individuals and corporations to lay pipes for the pumping of water from the Mississippi river and the new canal and the Canal Carondelet.

The following witnesses were examined for the complainant: James D. Houston and L. H. Gardner; after which it was agreed

between the counsel that the time for taking depositions and proofs in this case be extended until the last Monday in November.

NEW ORLEANS, *December 3rd*, 1887.

Present: Alfred Goldthwaite, Esq., for the defendant.
J. R. Beckwith, Esq., for the complainant.

The following witnesses were examined on behalf of the defendant:

James D. Houston, Wm. H. Moon, Thos. H. Ryan, and Wm. Golding.

NEW ORLEANS, LA., *January 5th*, 1888.

Testimony resumed on behalf of defendant this day.

Present: Alfred Goldthwaite, Esq., for the defendant.
J. R. Beckwith, Esq., for the complainant.

The following witnesses *were* examined for the defendant:

Joseph Garidel.

225 NEW ORLEANS, *January 10th*, 1888.

Examination resumed for the defendant; both counsel present.

The following witness was examined for the defendant:

Dr. Joseph Jones.

The testimony taken before me as examiner on the dates named, as described in the foregoing return, was returned by me into the clerk's office on June 25th, 1887, and December 21st, 1887, respectively, and comprises all the testimony offered before me by both parties.

(Signed) E. R. HUNT, *Examiner*.

New Orleans, May 12th, 1888.

226 *Complainant's Evidence.*

United States Circuit Court, Eastern District of Louisiana.

THE NEW ORLEANS WATER WORKS CO.
vs.
SOUTHERN BREWING COMPANY.

Testimony taken on behalf of the complainant, under the 67th rule, as amended, of the courts of equity of the United States, before Edward R. Hunt, Esqr., special examiner, duly appointed
227 and qualified to take the depositions of witnesses in the above cause.

NEW ORLEANS, *May 26*, 1887.

Present: J. R. Beckwith, Esqr., solicitor for complainant; Alfred Goldthwaite, Esqr., solicitor for the defendant.

Mr. Beckwith, for complainant, offers in evidence the act of the Legislature of the State of Louisiana, approved April 1, 1833, establishing and chartering the Commercial Bank of New Orleans, and marked "B 1."

Also act No. 33 of the extra session of the Legislature of the State of Louisiana held in 1877, being the first act relating to the charter of the complainant, and marked "B 2."

Also act of the Legislature of the State of Louisiana approved February 26, 1878, entitled An act relative to the charter of the New Orleans Water Works Co., amending act No. 33 of the extra session of the Legislature of 1877, approved March 31, 1877, and marked "B 3."

Also an act of the Legislature of the State of Louisiana, being act No. 56 of the acts of 1884, marked "B 4."

Also an attested copy of a notarial act passed before Andrew Hero, Jr., notary public in and for the parish of Orleans, at that time the official notary of the city of New Orleans, on the 19th day of January, 1869, being act of transfer of property by the Commercial Bank of New Orleans to the city of New Orleans, marked "B 5."

Also a certified copy of a notarial act passed on the 9th day of April, 1878, before Gustave Lagardeur, Jr., notary public,
228 being an act of transfer of property from the city of New Orleans to the complainant, marked "B 6."

Also Soard's official map of the city of New Orleans, so marked.

Also a series of 19 attested copies of ordinances of the city of New Orleans, marked from B 7 to B 26, inclusive, being copies of ordinances granting licenses or authority to individuals and corporations to lay pipe for the pumping of water from the Mississippi river and the new canal and the Canal Carondelet.

Mr. Goldthwaite, for defendant, objects to the offer of the series of 19 ordinances made by the complainant, on the ground that they are not relevant to any issue in this case made with the defendant; that whatever right of the complainant company has been violated by the city the city is not a party to this suit. Therefore these ordinances are in no way connected with the defendant, and no attempt being made to connect the said defendant corporation in any way.

JAMES D. HOUSTON, sworn for the complainant, says:

By Mr. BECKWITH:

Q. What is your relation, if any, to the New Orleans Water Works Co., complainant in this case?

A. I am president of the company at the present time.

Q. To what extent, if any, are you a shareholder in the company?

229 A. I am a shareholder at present of 1,020 shares. Formerly I was a shareholder of 4,320 shares.

Q. What was your interest in the company, if any, in 1884?

A. I was a shareholder to the extent of 4,320 shares of the stock. I know it was over 4,000. The hundreds I am not so positive about.

Q. Had you that interest in the company at the time of the adoption of act No. 56 of the act- of the Legislature of 1884?

A. I had.

Q. Can you state your connection or relation, if any, with the notice published or with the promotion of the act No. 56 of 1884?

A. When I first became a director of the company, under the Toby administration, the city of New Orleans instituted a suit for the recovery of the tax against the company. A committee of the directors of the company was appointed, I think, on my motion, to wait upon the city authorities with regard to the matter. We did so, and in a discussion, which was published in the New Orleans newspapers, the authorities said they were compelled to sue for the water and for the tax, but would willingly pay the price of the water, which was much larger than the amount of the tax, but they did not see their way to do it under the circumstances. My recollection of what was published and what took place is that they said they would recommend an act to the Legislature looking to that end if it could be done. The administration of the water works
230 Co. was changed, and Mr. Baldwin became president. The suit was continued in the district court and came to judgment, which was in favor of the company, for the amount demanded in their reconvention or the value of the water. On appeal to the supreme court of the State it was decided that the value of the water furnished to the city should offset the amount of the taxes which the city endeavored to collect from the company. At that time I was a large owner of water-works stock, as I said before, and I considered the brokers on Carondelet street were doing all they possibly could to break down the stock for the purpose of freezing me out, as they termed it. I went to see Mr. S. P. Blanc, attorney-at-law, and asked him if he could draw up an act to enable the city of New Orleans to pay for the water it used, as I was confidant I could get the city to recommend its passage. He drew up a notice of such an act for me, which he gave me. I took that notice with me, as I recollect it, to Baton Rouge, and afterwards sent it down to Mr. Gardner, who was connected with the company. I was a director of the company at the time I speak of. I was president of the company, and I asked Mr. Gardner to have it published for me, which he did. On my return to the city Mr. Gardner handed me a bill from the Daily States office, which he had paid, for the advertisement, and I said to him that that bill was a private bill of my own; that it was a matter of my own that I was getting up, and that he ought not to have paid it. He said the company would benefit by it anyhow, and I better let it stand as it was for awhile.
231 Mr. Blanc delayed in writing the act and went on a trip North. I had an interview with him just before he went away, in which he said he would write this act on the cars and send it to me. He did write the act and send it to me, but at such a late date that it was impossible for me to take it to the city authorities to get them to pass an approval of it, as they said they would do. Several members of the city government promised their approval of it. At the time I refer to, when they spoke of approving the act, the city was under the bureau system, not the council, but the mayor and the various administrators, and it was published in the newspapers. I had that act introduced into the Legislature and had it passed. The city attorney, Mr. Rogers, examined the act at Baton Rouge and recommended its passage, which was in accordance with the previous

discussion of the administrators. My recollection is that in the previous administration of the government of the city Mr. Guillotte was administrator of water works and public buildings, and at the time of the passage of the act was mayor of the city. Mr. Guillotte, as mayor of the city, was at Baton Rouge representing the city with regard to legislation affecting the city; stated to members of the Legislature that it was the desire of the city that the act should be passed. That is all my connection with it, so far as I can recollect it now.

Q. Was this your individual act or the act of the board of
232 directors?

A. My individual act as a stockholder who was trying to protect his property. I will state now that Mr. Blanc and I in the discussion doubted whether *it* act could be passed. My object in giving the notice and in attempting to pass the act was more to stop the bear raid on the stock at the time than it was of hoping to get the act passed. That was the object of my mind at that time.

Q. Did the board of directors as a board act in any manner in the promotion of this act?

A. No, sir; in no way whatsoever.

Q. Was there ever a meeting of the board of directors or any deliberation or voting upon the act in any particular either before or after it was passed?

A. No, sir; after it was passed the board by an act accepted the contract by a vote of the board of directors.

Q. I say a meeting of the shareholders.

A. No, sir; neither before nor after.

Q. Then the stockholders have never taken any action whatever as shareholders relative to the promotion of the act or any contract under it?

A. No, sir.

Q. Can you state to what extent this scheme of the water works charter involved in the acts that now constitute the charter of the water works Co. took off the city of New Orleans its
233 debt?

A. I made up these figures, but I cannot recall them just at present. I will furnish them.

Q. Will you please furnish the amount at a future time?

A. Yes, sir; I can furnish that. I made the amount up and had it published at the time to stop the raid. It was the amount of the floating debt of the city of New Orleans retired by means of this charter of the water works Co. I will procure a copy of it for you.

Q. To what extent are you familiar with the prices of stocks and city securities as they have ranged within the last three or four years?

A. Well, I am familiar with the prices of almost all stocks for the last ten years. I am not now, but was familiar with them; but for the last year, or since I have been president of the company, I am not, because I am not speculating much.

Q. What has been the relative bearing of the market value of shares of the water works Co. into which the funded debt of the city

of New Orleans was converted and the same class of city securities not converted into stock?

A. Well, the stock converted I see quoted to-day at 64, the amount it has been since 1872. The securities not converted will be worth to-day 110 or 112 in bonds bearing five per cent. interest anywhere—from 101 to 105.

Q. How have they relatively ranged for the last four, five, or six years?

234 A. The stock has always been below the bonds, but how much below I cannot say.

Q. You refer to the same class of bonds as were converted?

A. Yes, sir; five per cent. interest bearing bonds.

Cross-examined.

By Mr. GOLDTHWAITE:

Q. In May, 1884, you were a director in the water works Co.?

A. Yes, sir.

Q. What other position in the company did you hold?

A. Acting vice-president; there is no such office known to the charter, however.

Q. What were your duties as acting vice-president?

A. In the absence of Mr. Baldwin I signed the stock and the checks. I never exercised it until much later on.

Q. How long had you been acting vice-president prior to May, 1884?

A. I don't know that I was acting vice-president in May, since you put the question positively to me now. It was only when Mr. Baldwin was going away that we contemplated such an office in the board. I was selected as the one that would sign in his absence. I don't think it was in May, but it was after he went away that the duty was put upon me.

Q. Then, in the absence of the president, you were virtually president of the company?

A. Yes, sir; to sign and do such acts as the president himself would do.

235 Q. Were you the largest stockholder in the company?

A. Yes, sir; I think I was. I cannot say without referring to the books.

Q. Had you been the largest stockholder previously?

A. My impression is that I was, but I am not sure.

Q. Had you a great deal to do in directing the policy of the company?

A. Not more than any other member of the board. Wherever there was any money I was active to the best of my ability.

Q. You were active in the management of the company?

A. Yes, sir; I was very active in the management of my property.

Q. You say you went to Mr. Blanc to draw up that act?

A. Yes, sir.

Q. And he did draw it up?

A. I think so. He sent it to me. It was in his handwriting.

Q. It was the act as passed?

A. With some modifications made by the Legislature. What they were I don't know now.

Q. Had Mr. Blanc any connection with the city at that time?

A. None.

Q. Had he had any connection with the suit of the city of New Orleans against the New Orleans Water Works Co. which is now reported in the 36th of the Annuals? I mean on either side.

A. He had for the company.

Q. He represented the water works Co.?

A. Yes, sir; he represented the water works Co. Now, I
236 don't know whether that is a correct statement, for this reason: Mr. Blanc was employed by me as an individual and subsequently paid by the company, the same as Mr. Beckwith was employed by me in the case of the city of New Orleans against John A. Morris and a few years afterwards he was paid by the company. He returned me the money. He was employed by me as an individual first.

Q. He was on the side of the water works Co. in that litigation?

A. Yes, sir. Mr. Blanc has been my attorney in that litigation and has been my attorney in all things for the last eight years.

Q. Is Mr. Blanc still connected with the water works Co. as attorney?

A. No, sir; not as attorney. He represents the company in one suit—the suit I employed him in originally—the same tax suit, and the suits growing out of it.

Q. How long prior to the passage of this act had that suit been decided by the supreme court of Louisiana?

A. A very short time. It may have been over a month before the act was passed, but not over a month before the notice was given.

Q. Had you seen Mr. Blanc about drawing up this act of 1884 prior to the decision of the supreme court of Louisiana in that case of the city of New Orleans against the water works Co.?

A. We had discussed it prior to that.

237 Q. Had you employed him to draw the act?

A. No, sir.

Q. Now, was it in consequence of that decision that this act was drawn up?

A. On my part?

Q. Yes; on your part.

A. Yes, sir; it was.

Q. Would you mind telling us why you considered it necessary to draw up that act or have it drawn up?

A. What was in my mind at the time was to prevent the breaking of the market. I really had no hope that the act would pass. What was in my mind was to prevent the breaking of the market.

Q. Did you succeed in your purpose of not letting the market break?

A. I don't think I did fully. I did to a considerable extent.

Q. Can you state to what extent?

A. Well, you ask me the effect of — thing I cannot know. I would have to know the mind of every person that bought and sold. That I cannot do. The break was not so bad as I had anticipated. Whether I overestimated what the break would be is a question I cannot answer.

Q. The ordinance which was passed by the common council of New Orleans to carry that act into effect was drawn up by whom?

A. By Mr. Blanc.

Q. At whose instance?

238 A. Mine.

Q. The contract which was made between the city of New Orleans and the water works Co. under that ordinance; who drew up that contract?

A. Mr. Blanc, I think. I would not be so positive as to that.

Q. Did you employ Mr. Blanc to do all that?

A. Yes, sir. I will state what took place. Mr. Blanc drew up the contract at my request, as an individual matter for me, with a written memorandum that if accepted by the water works Co. I would recommend the board to pay Mr. Blanc a fee in addition to what I had agreed to give him, but in nowise was the company bound.

Q. The company accepted the contract, did it not?

A. The company accepted it for the directors.

Q. Did the company pay Mr. Blanc a fee?

A. It did, on my recommendation. It was distinctly understood between Mr. Blanc and myself and reduced to writing that I was not authorized to represent the company or to bind it in any way. I done that in case Mr. Blanc should claim a fee and attempt to sue the company for it, as it was an individual matter of my own.

Q. Have you a copy of that agreement with Mr. Blanc?

A. I have not. Mr. Blanc is living in this city. I don't remember if I had the original or what has been done with it. It has been settled satisfactorily to both parties, and there has been no cause for me to look it up.

239 Q. How much fee did you pay Mr. Blanc?

A. I decline to answer that, as I do not think it is proper for you to ask.

Q. How much fee did the water works Co. pay Mr. Blanc?

A. That is a question I don't think I have a right to answer.

Q. Did that fee embrace his services in drawing the act which was passed through the Legislature and drawing the city ordinance which was passed by the common council and the contract that was made under that city ordinance?

A. No, sir. Mr. Blanc's fee was agreed upon by me. I think it was a fixed amount. I have no objection to state it if Mr. Blanc had no objection. It was to carry the case through that it—the previous case for taxes—Mr. Blanc drew this act up for me, and the ordinance, as he has done many other things, and I agreed that I would recommend to the company or try to get the company to pay Mr. Blanc a fee in addition to the fee that I had agreed to give him.

That was to take in the suit to the Supreme Court of the United States and of the previous suits—that is, the tax suits and any suit that might arise under this contract if it was accepted by the company. That is what it was for, and was so stipulated in writing. I did not do it with any knowledge of anything growing out of the act at all. Mr. Blanc drew up tax acts for me and a great many other things that I had passed by the Legislature. It did not grow out of that or out of the contract; and the company subsequently paid Mr. Blanc not only an additional fee, but paid him the
240 fee which I had agreed to pay him, which are the facts.

They agreed to do that on the ground that I, as an individual stockholder, should not have been put to that expense, although I had contracted for it and agreed to pay it. I think that is all you are aiming to get at, and I want to give you exactly what is the fact.

Q. With reference to the little bill for advertising the notice of that act, which was paid at the Daily States office—who paid it?

A. Mr. Gardner, I think.

Q. What position does Mr. Gardner occupy in the water works Co.?

A. I think he was secretary and treasurer at the time. I would not be positive. He may have been superintendent.

Q. How long had Mr. Gardner been secretary and superintendent of the water works Co.? I mean about.

A. From July, 1882.

Q. How many directors were there in the water works company board in 1884?

A. Seven.

Q. How many were active in the management of the affairs of the company?

A. Generally five or six.

Q. Did you have regular meetings of the board of directors?

A. Monthly meetings.

Q. Generally what number was present?

A. Five or six.

241 Q. Can you tell us who they were?

A. Mr. Albert Baldwin, Henry Abraham, James D. Edwards, myself, the mayor of the city of New Orleans, the treasurer of the city of New Orleans, and the commissioner of public buildings and water works.

Q. Was Mr. Henry Abraham a large stockholder at that time?

A. I think he was what you would call a large stockholder, but not a large stockholder in comparison with me.

Q. About how many shares of stock?

A. I suppose between eight hundred and a thousand; possibly eleven hundred.

Q. And Mr. Edwards, was he a large stockholder?

A. He was not. I don't think he owned over a hundred shares, if he owned that many.

Q. There were no other individual directors, then, except Edwards, Abraham, and yourself and Baldwin?

A. Four individual directors, representing the stockholders of the company.

Q. Was Mr. Baldwin a large stockholder at that time?

A. I think not. It is a hard thing to tell what a man owns in a stock company. He frequently owns a great deal of stock that does not appear in his name, but upon the books of the company he was not a large stockholder at that time.

Q. The mayor, treasurer, the commissioner of water works and public buildings represented the shares of stock owned by the city of New Orleans?

242 A. No, sir; they represented the right given by the charter, which they would have even if the city had no stock.

Q. They were there in their public capacity?

A. Yes, sir; their public capacity.

Q. They had no private or personal interest?

A. Not that I am aware of.

Q. You stated in answer to a direct question that the city was willing to pay for the water used by the city, after the decision made by the supreme court.

A. Did I?

Q. Yes; I so understood you.

A. Well, I stated this: That the suit continued and came to trial in the district court. It was prior to that.

Q. It was prior to that that you state the city was willing to pay for the water?

A. Yes, sir; that the administrators present, in a formal discussion, so expressed themselves, and it was so published in the public prints.

Q. You say that was the common expression made in the city council?

A. From individual members of the board of administrators. The city was then under the board of administrators under the bureau system.

Q. It was, then, prior to the city charter of 1882?

A. It must have been, if that was the time of the charter.

Q. Did you ever have any expression after the charter of 1882?

243 A. With individual members.

Q. Then as to any willingness on the part of the city of New Orleans to pay for the water used by the city you derive your information from individual members of the city government and not from the council as a body?

A. No, sir; not from the body in its official capacity. That was a subsequent intimation. It was in an unofficial gathering of the members that this willingness to pay for the water used was expressed.

Q. Had it been a matter discussed at the city hall that the water works Co. was liable to city taxation prior to the institution of the suit, which was afterwards carried to the supreme court and is now reported in the 36th of the Annual Reports?

A. I am unable to give you any information with regard to it.

Q. Were you connected with the water works Co. at that time as a shareholder before the suit was instituted in the civil district court?

A. I could not say that unless I went to see the date of the entry of the suit.

Q. Now, when you speak of the city administration—of the city being willing to have some legislation on the subject—what do you mean by administration?

A. The mayor and seven administrators met a committee from the board of directors of the water works company in what they call a committee of the whole, and on an informal discussion
244 of the matter in that commottee of the whole they expressed themselves that way and said there was no way in which they could legally do it under the laws as they stood.

Q. Do you know of any endeavor by the city of New Orleans, through its officers or legal advisers, to get any legislation from the State of Louisiana to enable them to make a contract with the water works Co.?

A. I know that the mayor recommended the passage of the act and so did the city attorney to members of the Legislature at Baton Rouge.

Q. The act of 1884, you mean?

A. Yes, sir.

Q. But I mean prior to that. Do you know of any endeavor on the part of the city of New Orleans or on the part of its officers or legal advisers to get any legislation on behalf of the water works Co.?

A. I am not aware of any.

Q. I understood you to say that you had not submitted this act to the council of the city of New Orleans before you had it introduced into the Legislature?

A. I did not on account of the lateness of the time at which I got it.

Q. Any approval then given by the mayor of New Orleans to that act or by the city attorney to that act was given not in the city of New Orleans but at Baton Rouge?

A. At Baton Rouge. They were there under a resolution
245 passed by the city council to represent the city before the Legislature as to any legislation they might see proper to make.

Q. Were you up at Baton Rouge during most of the session of the Legislature of 1884?

A. Yes, sir; I was.

Q. Were you there continuously?

A. All the time, with the exception of visits to the city to see my family.

Q. You were not a member of the Legislature, I believe?

A. No, sir; I am tax collector of the upper districts of the city of New Orleans; a State appointee. I was there looking after tax legislation.

Q. Did you have any authority from the water works Co. to represent them in any matter pertaining to the water works Co.?

A. None whatever.

Q. Were your expenses in part paid by the water works Co.?

A. Not a cent.

Q. After the passage of this act by the Legislature, did you have the ordinance to carry into effect that act introduced at the city hall in the city council?

A. I cannot say that I did have it introduced. I had the ordinance drawn up. My recollection is not clear whether I gave it to the member of the council who introduced it or not; most probably, however, I did.

Q. Did your attorney do it?

A. No, sir; it is probably I done it; but I cannot recall the fact that I did do it or not; most probably I did.

246 Q. Were you active in trying to get that ordinance through the city council—in using your influence?

A. Yes, sir; very active.

Q. Did you have any difficulty in getting it through the city council?

A. None whatever—that is, beyond the usual difficulty which attends these things in referring them to a committee, as to price and such things.

Q. It was first referred to a committee, I presume?

A. My recollection is that it was.

Q. Do you remember to what committee?

A. I think a special committee appointed for that purpose.

Q. Did you go before that committee?

A. I think I did.

Q. Once, or more than once?

A. I cannot remember now.

Q. When it was reported by the committee to the council did you aid or give your active exertions in trying to secure votes in the council for its passage?

A. I was not active because no such activity was needed.

Q. I believe you are the chairman of the Democratic State Central Committee?

A. I am not. I am not even a member of the committee.

Q. I believe you have the reputation of being a gentleman of large political influence in the city and State?

A. I don't know; you could better testify to that than I could.

247 Q. Are you pretty well acquainted with the administration of affairs in the city of New Orleans?

A. I do not quite understand your question.

Q. Are you familiar with the administration of affairs in the city of New Orleans? Have you been connected with that administration?

A. Yes, sir; I have.

Q. In what capacity?

A. Administrator of improvements; elected in 1878, in November, and served until December, 1879, when I resigned.

Q. What other positions have you held?

A. I have been criminal sheriff of the parish of Orleans. I am now and have been State tax collector for the upper districts of the parish of Orleans since April or May, 1880.

Q. Have you had any occasion to secure legislation from the city of New Orleans?

A. In what way?

Q. Well, of any kind.

A. At times.

Q. Much or little?

A. Not much. I was interested in the passing of the ordinance with regard to the Municipal Gas Light Co. I was interested in the passing of the ordinance relative to the sanitary condition of New Orleans in cleaning the gutters. I was interested to some
248 little extent in the passing of the ordinance with regard to the small-pox hospital and in this water works Co. ordinance. I also assisted in the passage of the ordinance with regard to the New Orleans Exposition. These are all.

Q. I ask you if your general reputation is not that of an active, energetic, and influential politician?

A. Striking out the words "influential politician" and substituting "influential man," I will accept it.

Q. Well, I will say a public man.

A. Yes, sir; I am a public man in all things. I aid and assist in everything that comes in my way. I aided the last exposition by loaning them $3,000 out of my own pocket, because they told me that the doors would be closed at three o'clock that day if they did not raise the money. They came to me as a public-spirited citizen and I gave them the money. Perhaps it is that wherein my reputation consists.

Q. You spoke of the value of securities of the city at the time that the city bonds and securities were converted into stock?

A. Yes, sir.

Q. Do you remember what, at that time, was the value of city securities?

A. I had no connection with the water works Co., nor was I an owner of any city bonds or securities at the time you mention—say in 1878 and 1879. I done very little speculating at all then; but I refer to later dates.

Q. You had no knowledge whatever, you say, of the value
249 of the securities at the time that the city securities were converted into the stock of the water works Co.?

A. No, sir; I have no knowledge of them at that time.

Q. When did you first begin to take an active part in the management of the water works Co.?

A. I think some time in the year—I don't know what you mean by an active part.

Q. Well, as a director?

A. I think some time in 1880 or 1881, I am not sure which.

Q. In what condition did you find the stock at that time?

A. Be more explicit.

Q. Well, financially?

A. The company was paying its employees and the interest upon its bonds and paying a dividend. I think it paid two or two and a half per cent.

Q. During the time that you have been on the board, is it not a fact that you have been an active member of the board of directors of that company?

A. I hope so.

Q. Have you not in a large measure influenced the policy of the company?

A. No, sir; I cannot say that I have.

Q. How long have you been president of the company?

A. Since last July, 1886. I will state now that the president of this company receives no salary. It has been customary for a number of years past, if the board thinks the financial
250 condition of the company justifies it, to make him a donation or give him something for his trouble. The amount varies according to the year.

Q. What dividend does the company now pay?

A. Four per cent.

Q. How long has it been paying four per cent.?

A. I think two years.

Q. Do you remember what the stock was quoted at when you entered the board?

A. Six-eight. I paid as high as seventy for some of my stock.

Re-examined.

By Mr. BECKWITH:

Q. In speaking of the relative holders of water-works stock, do you refer to holders other than the city of New Orleans or do you include the judgment?

A. Other than the city of New Orleans.

Q. What was the holding, as near as you can remember, of the city of New Orleans in 1884 or after the restoration of the stock in the Morris suit?

A. 3,927 shares.

Q. I refer to the period when the act was passed.

A. The city owned 3,927 shares.

Q. Do you remember how much the city or the board of liquidation of the city debt now holds?

A. That is all. They hold it now in place of the city
251 under a law passed. It is now in the name of the board of liquidation of the city debt.

Signature waived.

Exhibit filed by examiner May 31, 1887, and referred to in testimony on page 314 of this Transcript.

As directed in the course of my examination before the examiner on the 27th inst. in the case of New Orleans Water Works Co. *vs.* Southern Brewing Co., I give the following as the amount of city

indebtedness retired or extinguished by exchange for water-works stock:

Bonded debt	$1,393,000 00
Floating debt	213,000 00

Please file this with my deposition.

(Signed) J. D. HOUSTON.

L. H. GARDNER, a witness produced, sworn, and examined for the complainant, says:

By Mr. BECKWITH:

Q. What connection, if any, did you have with The New
252 Orleans Water Works Company, complainant in this case, during the year 1884?

A. Superintendent.

Q. Were you superintendent during the whole of the year 1884?

A. I do not remember.

Q. Were you ever at any time secretary and treasurer of the company?

A. I was so made in July, 1882.

Q. Do you remember when you terminated that relation?

A. I cannot recall the exact date. My impression is it was in July, 1884.

Q. Have you examined the written Exhibit "J," as offered by the defendant herein, and can you state whether it is a copy of the advertisement published in the Daily States relative to legislation?

A. It is a *verbatim* copy.

Q. What connection, if any, did you have with its being published?

A. I took it to the office of the Daily States and had it inserted.

Q. By whose direction?

A. S. P. Blanc.

Q. Who is he?

A. He was the attorney who drew up the act.

Q. I am now speaking with reference to the notice.

A. I am speaking with reference to the notice. I happened on the day that I took it to the Daily States office to be in Mr.
253 Blanc's office, but whether he gave me this notice or whether I had previously received it from Mr. Houston I am not now able to say; but I received it from either one or the other and took it to the Daily States office.

Q. Do you remember who attached the designation or signature of the New Orleans Water Works Co. to that notice?

A. It was I signed it.

Q. By whose direction?

A. My recollection of it is that I asked Mr. Blanc whether it should be signed or not, and that he said it was probably better that it should be signed, and upon that suggestion I signed it.

Q. Was there ever any action of the board of directors of the water works Co. relative to the publication of that notice?

A. None whatever.

Q. Was there ever any act or resolution of the board of directors directing you to sign that notice?

A. None whatever.

Q. Was there ever any meeting of the stockholders relative either to that notice or to any legislation, or particularly to this act No. 56 of the acts of 1884 or any ordinance or contract with the city of New Orleans made under it?

A. None.

Q. Has there been any meeting of the stockholders of the company for any purpose other than the election of officers since you have been connected with the company?

254 A. None.

Q. Do you remember the circumstances connected with the payment of the bill of the Daily States for the publication of that notice?

A. Yes, sir; I do. The bill was brought in, and I instructed the payment of it. I made the payment and charged it up in the general expenses of the company.

Q. By whose direction?

A. My own volition.

Q. Was the matter of whether you should pay that bill or not submitted to the board of directors prior to the payment of the bill?

A. It was not.

Q. Do you remember any conversation or discussion relative to that afterwards with any of the directors of the company?

A. I do not.

Q. Do you remember any conversation or discussion relative to that item of disbursements with Mr. Houston?

A. I do not. I do not remember having spoken to him about it. I heard his testimony on the matter, but I do not remember the conversation he relates.

Q. Now, will you state in what manner and when and by whom the accounts of disbursements and earnings are presented to the board of directors or who presented them at that time?

A. At each meeting of the board of directors a trial balance is submitted to them.

255 Q. By whom?

A. By the secretary and treasurer.

Q. Do you remember at what time or can you state at what time the trial balance would be presented after the payment of this bill?

A. The first Wednesday in the month succeeding the payment. The meetings of the board of directors are held the first Wednesday of each month.

Q. Do you remember when that bill was paid?

A. I do not remember the date.

Q. Now, in that trial balance presented to the board of directors would this item appear distinctively?

A. No, sir.

Q. It would or does appear in which balance?

A. The general expense account.

Q. In the totals or what?

A. In the totals or footings.

Q. But not in detail?

A. No, sir; not in detail.

Q. What action, if any, is taken by the board on that presented trial balance?

A. None, except a casual survey of it by the members of directors who are present, and it is handed from one to another, and they ask such questions as may occur to them; it is merely a cursory view.

256 Q. Do you remember whether this item of disbursement was ever as an item considered or dealt with distinctively or separately by the board of directors?

A. It never was.

Q. Can you state what the character of distribution of water, so far as the mains are concerned, is the character or distribution in that part of the city, in the vicinity of defendant brewery?

A. There is an eight-inch pipe in front of the brewery, if that answers the question.

Q. Eight inches internal diameter?

A. Eight inches internal diameter.

Q. Are there an- reinforcing pipes in the vicinity?

A. Yes, sir; there is a connection by eight-inch pipes in the streets immediately in that vicinity—eight-inch pipes running up parallel with the streets to Canal street, where they are reinforced by a sixteen-inch main on Canal street.

Q. Do you remember anything of the application of the defendant company to the water works Co. for the water supply that preceded the time when they laid down their pipe to the river?

A. The Southern Brewing Company now occupies the property formerly occupied by the Merz brewery. I find on reference to the books that in 1881 the Merz brewery caused to be inserted three ¾-inch service pipes and two ½-inch service pipes. In February,

257 1883, the Southern Brewing Co. applied for additional service and thought that an additional ¾-inch service pipe would answer their purpose; that ¾-inch service pipe was so added. In February, 1884, a further demand was made and a two-inch ferrule or service pipe was put in. Since then I have had no further complaint.

Q. Do you know whether or not the Southern brewery took the service pipes of the Merz brewery?

A. I infer they did, because it was their only means of water supply.

Q. Do you remember how the estimate of the supply that the Southern brewery required was reached, with reference to fixing the rate of the charge for water?

A. At that time we had in our employment Mr. William Golding, who was charged with the duty of estimating the probable needs of large consumers, and upon his estimate they were assessed.

Q. Now, in the case of applications for water connection, who determines the size of the service for delivery—the applicant or the water works Co.?

A. The consumer does. The consumer makes the application and the water works Co. prefers that the consumer should have a full and ample service pipe rather than a limited one in order to avoid complaints from any cause. In other words, the water works Co. makes no objection to a large service pipe, particularly among large consumers.

Q. How is the supply estimated—upon the consumption of the business, or upon the probable delivery of a certain size of service pipe?

258 A. The consumption of the business.

Q. Do you remember any complaint being made by the Southern Brewing Co. of want of sufficient service that was not responded to on the part of the water works Co. with additional service?

A. I do not. I have just said that in February, 1883, they thought they needed an additional service pipe and they prescribed the size themselves. It was a ¾-inch; and in February, 1884, another demand was made, and I remember insisting upon them that they should make it large enough this time—that they should take a two-inch pipe, which they did.

Q. How long have you been connected with the distribution of water under this New Orleans water-works system and the amount of water delivered or deliverable through the various sizes of *surface?*

A. I have been connected with the New Orleans Water Works Co. since July, 1882, and I have no knowledge of the extent and character, such as a hydrolic engineer would possess, but when I have to compute a matter of that sort I resort to the text books and tables to aid me.

Q. Can you state what the average pressure at the water works pump is—the pressure on the mains that the water works Co. maintain?

A. From six o'clock in the morning until six o'clock in the evening a pressure due 60 feet head. From six o'clock in the
259 evening until six o'clock in the morning a pressure due to 28 or 30 feet head.

Q. What on Sunday?

A. A pressure due from 28 to 30 feet head.

Q. What is the capacity or pump of the water works Co. in relation to the supply or consumption in the city of New Orleans?

A. Seven for one. It will pump seven times the quantity that we are now supplying.

Q. In your opinion, at an average day and night pressure on the mains, how much water, by ordinary flow, incident to the pressure, would the service pipes that are open at the Southern brewery deliver in the 24 hours?

A. I would not like to say that I could answer that correctly, but at a rough guess I should say from 30,000 to 35,000 gallons of water an hour, day and night, and more than this if their pumps are attached.

Q. Has there ever been any rule, regulation, or objection on the

part of the water works Co. to water consumers attaching pumps directly to their service so as to make a direct connection with their mains?

A. None whatever.

Q. To what extent is such connection made for mechanical purposes throughout the city?

A. The large consumers must necessarily connect their pumps with the mains of the water works Co.

Q. Do you know, or have you ever heard, of any objection on the part of the water works Co. to such connection?

A. None.

260 Q. Can you state whether you have any doubt in your mind that with the connections the Southern brewery had with the water works in the way of service pipes prior to the time when they laid their pipe to the river, and with no pump connected directly with the mains, the capacity of the service pipe was equal to the delivery of more than 100,000 gallons of water a day by the flow?

A. Yes, sir; I have no hesitation in saying it was equal to that. A two-inch single pipe would give them more than that.

Q. Could they have or would they have been allowed a larger connection than they did have if they had asked for it?

A. They were conceded all that they ever asked for, and in proof of this we have conceded to them a connection now in existence of a four-inch pipe from our mains in lieu of the old connections.

Q. Is this eight-inch main of which you speak as running in the vicinity of defendant's brewery, with which the service connection is made, so connected with the diffusion or distribution of water as to be fairly fed or filled in case of drought?

A. It is.

Q. Were you present during the examination of Mr. Blaise and the engineer of the brewery?

A. I was.

Q. Do you remember the size of the pump that they stated as being connected with their own service pipe to the river?

261 A. I do not. I know that they have an eight-inch pipe.

Q. How much water, in your opinion, judging from your experience in the delivery of water through your mains, can be taken by flowage in the four-inch present connection with the brewery per hour?

A. At least 40,000 gallons of water per hour.

Q. Do you remember what the estimate of the supply required by the brewery, in its present relation to the company, per day, was?

A. No, sir; I do not remember.

Q. Has any statement been made by the president or officers of the brewery as to the amount of daily consumption they contemplated at present or in the immediate future with this present four-inch connection?

A. I have heard it, but I would not testify it. I know he said about doubling the capacity of it. I know this pipe is largely in

excess of what his present or future needs may be. I don't know beyond that.

Cross-examined.

By Mr. GOLDTHWAITE:

Q. Have you had any experience or education as an engineer?

A. None whatever.

Q. Your position at the water works has simply been that of secretary, treasurer, and superintendent?

262 A. Yes, sir; and my experience has been of a practical kind, such as I have gained from books and study, but no mechanical education at all.

Q. Then the testimony you have given here with reference to the capacity of the pipes and the flowage of water and the service of water generally is derived from what?

A. Derived partly from experience, partly from text books. The estimate that I have given, for instance, of the flowage of the four-inch pipe is somewhat less than I get from the formula laid down in the books of such estimates.

Q. Can you state what particular text books?

A. Haswell's Tables.

Q. Have you ever been down to the Southern brewery establishment to see what service of water was there?

A. Yes, sir.

Q. What is it?

A. Not with a view to determine it, but my own estimate in a casual way.

Q. How was it—free or feeble, or what was its character?

A. When I visited them they had an abundant supply.

Q. Was that when they drew the water from the water works Co. or when they drew it from their own pipe?

A. I am speaking now of the time when the water works company supplied them.

Q. What would be the effect of a large fire breaking out or occurring in the vicinity of the brewery with reference to the sup-

263 ply that the Southern brewery could drew from the mains in the vicinity?

A. It would decrease the pressure and volume of the flow unless the pumps were attached to the mains.

Q. You mean the pump of the brewery attached to the supply pipe?

A. Yes, sir; in *order* words, if there was a large draught in the immediate vicinity the flow would not be—you could not stop the flow nor would you materially decrease it, but it would have the effect of decreasing it to a certain extent. I speak of the natural flowage through a hose, and not if the supply were obtained by means of a pump intelligently applied at the brewery, as is common in all such establishments.

Q. What would be the effect of opening the fire-wells in the vicinity of the brewery?

A. Similar to that which I have just explained.

Q. Now, with reference to the flushing or cleaning of the pipes—what is the effect in any establishment like the brewery when you clean the pipes?

A. Similar to that which I have just described; but so trifling that I have yet to hear of the very first complaint from a large user or arising from any of the causes that you have spoken of since July, 1882.

Q. Is it or not a fact that the brewing Co. was always notified before the pipes were flushed?

A. Well, that is the general rule. I am not able to say. That is entrusted to the inspectors themselves who are flowing off.

264 Q. Why do they give that notice?

A. In order to guard against accidents, but particularly to notify families and those who are using ranges and have no means of providing themselves. It is in order to be entirely on the safe side, turning out the water backs in ranges. It is done out of abundance of caution.

Q. Is not the effect of that to precipitate a large amount of muddy water or mud upon persons who use the water?

A. Well, when we do it the general flushing of our mains stirs up all the mud in the mains, and for an hour or two or a few hours it does a little inconvenience.

Q. How often do you flush?

A. We open our hydrants for examination—it is not called flushing—to oil the screws and see that they are in thorough order once in each month. We flush the whole distribution once in a year. Then we endeavor to take out once in a year the deposit of the year. The monthly opening is only just the opening of the hydrants to see about the screws. It takes about two minutes to each of the hydrants.

Q. What is the character of the water that you supply through your pipes? Is it water that you bring directly from the river or filtered water?

A. It is brought direct from the river to the consumer.

Q. Is there any arrangement of the water works Co. for clarifying or purifying the water?

A. Not at present. We have several schemes under consid-

265 eration, however, none of which have been decided upon yet.

Q. If a consumer wants clear water he has to clarify it?

A. Yes, sir; as it stands now and has stood for the last forty years.

Q. Is it the fact that there is a large deposit of mud or sand in the Mississippi river water?

A. Yes, sir; there is a large amount of silt carried in suspension.

Q. Do you know it to be a fact that in a large establishment like the brewing Co. that the water has to be filtered or condensed or in some way purified before it is used for a large number of purposes?

A. Well, that is a pretty broad question. For what purposes—for steam?

Q. For steam and a large number of purposes.

A. For steam, no, sir; the water used by the New Orleans Water Works Co. for steam is not purified; it goes direct into the boilers.

Q. What is the effect upon the boilers?

A. None that I know of, of a deleterious character. We wash the boilers and flush them out.

Q. Do you not flush them out oftener than you might if you had clear water?

A. Yes, sir.

Q. Do you lose as long a time as if you used water in its pure and natural state?

A. I have no knowledge on that subject.

266 Q. How is it with reference to the washing of bottles?

A. Well, as I never was in that business I cannot tell you.

Q. Your position, I believe, in the water works Co. in 1884 was that of secretary and treasurer—to have general charge in the office of its affairs?

A. Yes, sir; under the direction of the president.

Q. Would the president remain at the office or merely to come to the office to attend to certain business?

A. He was absent from the office; he did not make his head-quarters there at all.

Q. How long would be the time?

A. Probably fifteen minutes in a week.

Q. Then in his absence you had charge?

A. Yes, sir.

Q. Your duties embraced the paying of bills and looking after the books of the company?

A. Yes, sir.

Q. Were you present at the meeting of the board of directors?

A. Always.

Q. What position did you occupy at the meetings of the board of directors?

A. None whatever except that of an employee.

Q. How often did the board of directors meet?

A. Once a month.

Q. Now, with reference to the payment of this bill for advertising the notice which you gave in the Daily States of an act

267 to be introduced into the Legislature at the session of 1884, did that come to you in the ordinary course of business?

A. In the ordinary course of business.

Q. Do you know whether the president had a knowledge of the advertisement of that act?

A. He may have seen it in the paper. I did not call his attention to it.

Q. Had it been discussed at all at any meeting of the board of directors or by the president before it was brought to you?

A. It had not.

Q. How came you as secretary and in charge of the office of the water works Co. to receive an act of that kind or instructions of that kind from Mr. Blanc?

A. Well, there was a great deal to be taken for granted.

Q. Had you had any business relations with Mr. Blanc before that?

A. I knew him as the attorney who had, directly or indirectly, charge of important litigation. I knew him as Mr. Houston's friend and lawyer.

Q. And in charge of the litigation of the water works Co.?

A. Yes, sir; he had been.

Q. How long prior to that time?

A. I cannot say from memory. He had some connection with the litigation of the company, but what it was I don't know.

Q. You knew as a fact that that case had been decided over a month previous to May in the supreme court of the State
268 of Louisiana?

A. No, sir; that is not fresh in my memory; the question of dates is not.

Q. Had you seen Mr. Blanc anywhere about the office of the water works Co. previous to that?

A. Not to my recollection.

Q. Had you any reason to believe that he was the attorney of the company at that time, having charge of some business for the company?

A. No, sir; I knew that he was not, unless specially employed.

Q. Then how came you to receive this notice so put in the newspapers?

A. My answer again is I took it for granted. I knew he had the drawing of this act in charge because he told me so in his office; that he was drawing it for Mr. Houston.

Q. He was with you before he came to your office?

A. He did not come to my office; it was in his own office. Whether I received this notice from Mr. Houston or whether Mr. Blanc gave it to me I am not now able to distinctly say. My impression is that Mr. Blanc handed it to me and said it should be inserted in the paper.

Q. Did you know that Mr. Baldwin, the president of the New Orleans Water Works Co., was in the city and had charge of the affairs of the company at the time that you had this notice put in the newspaper?

A. I do not now remember.

Q. Do you know whether Mr. Houston, acting vice-presi-
269 dent, was in charge at that time?

A. He was not in the city. I remember that distinctly.

Q. Did you take the notice around to the Daily States office yourself?

A. My recollection is that I took it around myself. I either took it personally or sent it.

Q. Did you take it in the original as drawn by Mr. Blanc or did you have a copy made?

A. My recollection is that I took it as it was given to me or as I received it.

Q. I believe you have testified that you did not call the attention

of the president or any of the board of directors to the fact of this publication.

A. I did not. If they knew of it at all they knew it simply from seeing it in the newspaper.

Q. You don't know whether they had any other knowledge?

A. Not from me.

Q. Well, from anybody else while you were present?

A. No, sir.

Q. Did you not know that that act was under discussion or consideration by the water works Co. before the application was made to the Legislature?

A. I have attended every meeting of the board of directors of the New Orleans Water Works Co. since July, 1882, and I am able to state positively that in no way, shape, or form was it discussed.

270 Q. Either at a meeting of the board or by the members of the board outside?

A. No, sir; if there was any such discussion I know nothing of it.

Q. Do you know anything with reference to the ordinance that was passed by the city council to carry that act into effect?

A. I only know that such an ordinance was passed. I know that the contract was entered into confirming the ordinance and under the ordinance.

Q. How did you gain that information?

A. From the fact that it was in the daily prints. I was connected with the water works Co., and when the contract was entered into I saw it.

Q. I am speaking of the ordinance before the contract was made.

A. Well, you will have to give me your question again.

Q. How did you get your information, if you had any information, with reference to the ordinance of the city accepting the act of 1884?

A. Well, I was aware, in the ordinary course of business, that such a measure was before the council.

Q. By the course of business you mean the business of the water works Co.?

A. Yes, sir; the business of the water works Co. I cannot tell how I gleaned the first information.

Q. Was that a matter for the consideration of the water works Co.?

271 A. Not by the board of directors necessarily.

Q. But persons not on the board of directors?

A. I don't know that I heard much about it from that source.

Q. Then you did not know much about it until you saw it in the prints?

A. Well, yes, sir; I certainly knew that the matter was pending; I certainly knew that.

Q. Can you tell us where you got your information from?

A. Well, one gets information in a general way or a specific way. I may have got it from Mr. Blanc or Mr. Houston or from a member of the council. I may have got it from Mr. Blanc, as he was

drawing up the ordinance. I know he drew up the ordinance, because I think he stated so to me.

Q. How did you come to a knowledge of that contract which was made under that ordinance?

A. Well, officially, as that was a matter that was settled upon by the board The board passed a resolution authorizing the president of the company to enter into a contract with the city under that ordinance.

Q. Was that the first time that you heard of the contract?

A. That is the first I heard of the contract being made.

Q. But you heard of the ordinance before that?

A. Yes, sir.

Q. Now, you testified that no complaint was made to you by the Southern Brewing Co. at any time?

A. No, sir; I say that they complained that their service
272 pipes were not large enough.

Q. But I mean with reference to the service itself. You heard of no complaints except what was allowed them in the additional service pipes?

A. None whatever.

Q. Is that simply your recollection, or are you positive?

A. I can say I am positive, because it was a matter of pride to me and the board through me to see that our patrons were supplied with water. I should certainly take very active steps to see that such a complaint as that was attended to.

Q. You say it is customary for the company to supply all the water that is asked in the way of service pipes?

A. Yes, sir.

Q. And that you let them regulate the supply of water that they want? The company does not undertake to fix it?

A. That is true. I will say just here that the Southern Brewing Co. and its officers were not unlike the majority of consumers in New Orleans, in this, that they feared to ask for too large a service pipe for fear that they would be overestimated in the quantity of water supplied and the bills made out in accordance with the size of the service pipes and for a greater — that they would use. This leads many consumers to ask for a small- service pipe than the demands really require.

Q. How was your computation and charge made up? Was it with reference to the pipe or what?

273 A. No, sir; it is based on their actual consumption.

Q. That was got by information furnished by the consumer?

A. No, sir; Mr. Golding, to whom I have alluded, and these persons of the Southern Brewing Co.

Q. Mr. Golding, you say, was the man that directed all that up to that time?

A. No, sir. He directed nothing. He was employed by the company to estimate the quantity of water used by large consumers, and upon his estimate the assessment was made of the price or value.

Q. With reference to the supply of water at nights and on Sundays, you say it has a pressure of from 28 to 30 feet head?

A. Yes, sir; a pressure due to 28 or 30 feet.

Q. Was your attention never called to the feeble supply of the water which was received by the Southern brewery at night and on Sunday?

A. Not to my recollection, otherwise than has already been stated.

Q. To what is it due—the diminution on Sundays and at night of the supply of water or pressure?

A. Well, the system of the New Orleans Water Works Co. is intermittent. We pump direct with our machinery a pressure of 60 feet in the day-time, but the night supply to the city is from gravity pressure supplied from the reservoir. We supply the city then from the reservoir by gravity pressure, and not by pumping.

274 Q. What is the capacity of the reservoir?

A. Nominally from 4,000,000 to 5,000,000, but I don't think we ever put into them over 850,000 gallons each.

Q. How many of them?

A. Four of them.

Q. Is the water supplied to the city from all four at once or from one at a time?

A. From all at once, unless when we are repairing one of the basins.

Q. Have you been repairing them since you have been in the company?

A. Yes, sir; repaired them and cleaned them out; but that has nothing to do with the quantity of water in them. It only involves a little more pumping when we are not using the whole of them; but the repairing or cleaning of the reservoirs has nothing to do either with the pressure or the quantity supplied.

Re-examined.

By Mr. BECKWITH:

Q. Where does the New Orleans Water Works Co. take its water on the river front for pipe water supply?

A. From the Mississippi river.

Q. Whereabouts on the river front?

A. At the foot of Richard street.

Q. About how far is that above Canal street?

275 A. I am not able to say.

Q. How is it located with reference to the city front along the Mississippi river—up stream or down stream?

A. It is up stream.

Q. In which direction does the water flow from the point where the New Orleans Water Works Co. takes its water to the point where this pipe in controversy, from the Southern brewery to the river, meets the river?

A. Down stream, and in a northeasterly direction.

Q. Do you know of any increased purity or decreased amount of sediment that the water gets in flowing from the point where the

water works takes the water to the point where the water was taken in this main in controversy in this case laid down by the Southern Brewing Co.?

A. Our source of supply, I should say, is infinately purer than the source of supply of the Southern Brewing Co.

Q. For what reason?

A. There is no deposit of *fœtal* matter above us, very little shipping, and very few influences to make the water impure. The Southern Brewing Company takes its supply from the foot of Toulouse street, which is just below the discharge of the *fœtal* matter from the Charity Hospital, the United States custom-house, the St. Charles Hotel, the City Hotel, the Maginnis oil mills and soap factory, and Hernsheim's tobacco factory. That, together with the steamboats and other shipping, I should say, would make that place or
276 that point of supply infinately less pure than where the New Orleans Water Works Co. take their supply.

Q. Do you know any reason why there should be less silt or sediment where the main reaches the river at the foot of Toulouse street and the place where the induction pipe of the water works Co. reaches the river?

A. I do not.

By Mr. GOLDTHWAITE:

Q. You say that the pipe from which the Southern Brewing Co. draws its supply of water—the pipe in controversy in this suit—is just below where the Charity Hospital, the St. Charles Hotel, and Maginnis and other factories discharge their fæcal matter—about how many blocks or squares below?

A. About four from the custom-house.

Q. Do you know how far the pipe of the Southern Brewing Co. projected into the water?

A. I do not.

Q. Do you know what the effect of water on fecal matter is?

A. Well, I do not.

Q. Do you know as a fact that there is any greater impurity in the water drawn by the Southern Brewing Co. than in the water drawn by the water works Co.?

A. As a matter of positive certainty I should say so.

Q. Then it is a matter of inference?

A. Yes, sir; it is a matter of inference.

Q. Do you know anything as to the wholesomeness or pur-
277 ity of the water at all?

A. Well, I would not answer as an expert.

Q. Have you any education or anything to inform you in order to make a correct opinion as to pure and wholesome water?

A. Well, I can only say that after the emptying of that lot of fecal matter, as an intelligent man, that it would not be nice water to drink—certainly not as nice water as water that had not these elements.

Q. Did you ever drink the Mississippi river water in its natural state?

A. Yes, sir; I did.
Q. Did you like it?
A. Yes, sir; I did, very much.
Q. Do you drink it often?
A. Every day.
Q. In its natural state?
A. No, sir; I clarified it.
Q. But in its natural state, as you draw it from the river?
A. No, sir.
Q. You do not know the difference between the water above Custom-House street and the water below Custom-House street?
A. Well, only by inference.
Q. You have no knowledge of it?
A. No, sir.
Q. You never tested it in any way?
A. No, sir.

278 By Mr. BECKWITH:

Q. Did you ever hear of a mixture of fecal matter being considered as an advantage or increasing the potable quality of water?
A. No, sir; none of the works that I have ever read on the subject of water stated there was any additional charm given to water by such a mixture.

Signature waived.

Adjourned to Friday, June 3, 1887, at 12 o'clock m.

NEW ORLEANS, *June* 4, 1887.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING COMPANY.

Testimony resumed on behalf of the complainants this day, both solicitors present.

JOHN PONDER, a witness produced, sworn, and examined for complainant, says:

By Mr. BECKWITH:

Q. Where are you employed and how long have you been so employed?
279 A. I am employed in the Charity Hospital as engineer, and have been there seventeen years.
Q. Do you have anything to do with the supply of water to the Charity Hospital?
A. Yes, sir; I believe I have all the dealings with the water-works pipes there.
Q. Do you know with what size mains you are connected?
A. Yes, sir; four-inch.
Q. Do you mean the service or the street main?
A. I mean the service.

Q. Do you know what size street main you connect with?
A. Well, we have two.
Q. I now refer to the main that the pump is connected with.
A. That is four-inch.
Q. A four-inch street main?
A. Yes, sir.
Q. What pump connection is there with that main and for what purpose?
A. We have our main tank-pump connected with that pump supplying the hospital.
Q. For what parts of the hospital is that a supply?
A. We supply the entire institution with the exception of the ground floor; all the hot and cold water throughout the entire building; hot and cold water baths, urinals, scrubbing purposes, etc., and the filter comes in from the same.

Q. Where are the reservoir tanks in the hospital located?
280 A. They are on the top of the main building.
Q. Do you know about how high from the ground?
A. About sixty-two (62) feet—61 or 62, I don't remember which at this moment.
Q. How is the delivery pipe from the pump run to the tanks, and what size is it?
A. The discharge of the pump?
Q. Yes.
A. It is two and a half (2½) inch.
Q. Does the pipe continue that size up?
A. No, sir; we have a four-inch pipe; about eight feet of it two and a half; and then it discharges into four—four all the way up to the tank. We first pump through about 250 feet of horizontal pipe and from that we come into about 62 feet of a rise, perpendicularly.
Q. Do you know about what the water supply of the Charity Hospital is per day?
A. Not including the ground floor?
Q. Not including the ground floor.
A. Well, it is about—I know it is about 65,000 or 68,000 gallons, between 65,000 and 68,000 gallons.
Q. Now, have you a pump so connected that by opening the valve in the suction and delivery pipe the water can run through it?
A. With the very force it has it runs up into the tanks.

Q. In doing that, does it have to lift the valves?
281 A. Yes, sir; it has to resist the valves on the pump to get up.
Q. Have you ever filled the tanks by letting the water run through the pipe and without applying power to the pump?
A. Yes, sir; we done it hundreds of times.
Q. Can you state whether or not you keep pressure gauges on your main and on your tanks?
A. Yes, sir; we have pressure gauges connected with the New Orleans Water Works Co., and also our tanks.

Q. About what is the pressure back on the gauge of your tank when full?

A. Well, on our tank it is about 33 pounds.

Q. You mean 33 pounds on the gauge?

A. Yes, sir; 33 to 34 pounds.

Q. Will you state whether your pump is connected directly with the main or whether you take the water from the reservoir into which the water forces and from which you take it by the pump?

A. No, sir; we take it directly from the main—that is, the service coming in from the street.

Q. What is the size of your pump, do you remember—the interior of the bore of the pump—the water end?

A. Yes, sir; our pump is 5½ by 10.

Q. How much water can you draw from that main with your pump in a day?

A. In a day?

Q. Yes; take the twelve hours.

282 A. Well, we run the pump now about an hour and a half in the morning and about the same in the afternoon, and than at eleven o'clock we start again and we pump about one hour to get about 67,000 gallons.

Q. You have said something about a filterer?

A. That is connected on that pipe.

Q. Does the water go through the filterer up to the tanks?

A. No, sir; we have tanks connected for that purpose. We have two 20,000-gallon receptacles mounted on brick-work twenty feet from the ground, and we fill them simply by the water-works pressure. We do not have to pump them full, but the water comes through the same service.

Q. How often have these pumps to be worked?

A. We work them slowly all day, with the exception of the time that the pump is working. During that time we do not get a supply. It interferes so much with the filtering that we have to shut them down.

Q. In addition to the water that runs into the tank you run the filterers?

A. Yes, sir.

Q. How many gallons in the day is your consumption of filtered water?

A. I don't think it is more than 12,000 or 15,000 gallons.

Q. Now, you have a sewage pipe also from the hospital?

A. Yes, sir. That does not get water from that main.

Q. Where do you get the water for that main?

283 A. It comes from another main that comes in from Common street.

Q. About how much water is used to flush that?

A. To flush the vault?

Q. Yes.

A. We use that to lighten up our fluid when it is very heavy, the main being so long between the hospital; we have about a mile and a quarter of pipe in the direction it runs.

Q. Through what streets does your cess-pool pipe run?

A. From the corner of Gravier and Howard down town as far as Custom-house street, and from Custom-House street to the river.

Q. Where does it out at the river?

A. At the foot of Custom-House street.

Q. Do you remember whether it connects with the custom-house pipe?

A. No, sir; it does not connect. It runs independent all the way through.

Q. What takes the matter from the cess-pool vaults? It is forced through that to the river?

A. Yes, sir.

Q. Now, it requires water at times, does it not, to get off the fœtal matter—fluid enough to go through the pipe?

A. Yes, sir; we very often do that; sometimes we fill the vault up entirely.

Q. Can you estimate about the average amount of water that you run in there?

284 A. The vault has a capacity of 34,000 gallons. I have filled that vault in two hours and five minutes—that is, the force had to go through the valves to get into the vaults two hours and five minutes. That is about the time it takes to fill the vault. Now, that pipe is four-inch; it enters from Common street, and belongs to the hospital.

Q. What is the size of the pipe?

A. Four-inch.

Q. Have you any force-pump connected with it?

A. Yes, sir.

Q. Can you give us the size of the force-pump connected with the cess-pool main?

A. Yes, sir; I can give you the size of that.

Q. Give us the size of the water end of that.

A. The water end is twelve inches bore and about sixteen — length.

Q. About how many strokes a minute do you run your pump when you are forcing the fœtal matter to the river?

A. When we are forcing *fœtal* matter to the river we run them about sixty revolutions—55 to 60 revolutions.

Q. That would give 55 or 60 double strokes of the pump?

A. Yes, sir.

Q. About how long during the course of the day does it take you to force the *fœtal* matter through that pipe?

A. We run it about half an hour in the morning and probably thirty-five minutes in the afternoon.

Q. Have you any doubt that through that four-inch main connection with which your tank pump is connected you could

285 draw 100,000 gallons of water a day?

A. Through the four-inch pipe?

Q. Yes.

A. There could be no doubt in the world about that; no doubt, with the pressure they are carrying at present.

Q. I mean operating your pump.

A. Yes, sir; there would be no trouble about that.

Q. Have you ever timed it to see how long it took your storage tanks in the upper story of the hospital to fill by running through the pump?

A. No, sir; I know exactly how long it takes to fill them, but I don't know how much water it would take to fill them; but I should say it would take about an hour and a half to fill them three-quarters full, they being one-quarter full when we start. They hold 28,000 gallons of water.

Q. Do you know where the Southern brewery is located—the old Merz brewery?

A. Yes, sir; I know where Merz' old brewery is, now the Southern brewery.

Q. Can you state whether the Charity Hospital is nearer the river front than the Southern brewery or which is the nearest—the Southern brewery or the Charity Hospital?

A. Well, I think they are about on a line; I think the brewery is on Villere street. I do not see but that both are about the same distance from the river.

286 Cross-examined.

By Mr. GOLDTHWAITE:

Q. Why do you have your pump attached to the service main?

A. Because in case of fire we would not be able to get water from the tanks, but that is not the principal reason. The principal reason is that formerly we did not have the pressure that we now have, and we at one time here had no trouble in the world in digging up the pipe, standing on a scaffold and making a joint on it. Of course, since that time we have a great deal more water than we had heretofore; but we save a great deal of fuel by not pumping; consequently we use the pressure of the water works very often.

Q. Is or is not a pump necessary at the Charity Hospital?

A. Yes, sir; it is necessary.

Q. Could you get along without it?

A. Yes, sir; we could possibly get along without it, but we would scant ourselves with water. We would have to carry it upstairs sometimes. We would have to be sparing with it, because we could not always get water enough up that height.

Q. Why could you not get enough water?

A. Because this pressure would not hold out.

Q. The pressure where would not hold out?

A. The pressure on the water-works main.

Q. What is the character of the water that you get?

A. You mean its percentage of mud?

Q. Yes.

A. Well, probably it contains 1½ per cent.

287 Q. For what purpose do you use it in the natural state in which you get it?

A. For what purpose?

Q. Yes, sir.

A. We use it for bathing in the main building and for water-closet and urinal purposes, etc.

Q. Do you use it for drinking purposes in its natural state?

A. No, sir.

Q. What do you do with it before you use it for drinking purposes?

A. Filter it.

Q. Could you use it for drinking and cooking purposes without filtering it?

A. Yes, sir; we have done it.

Q. To any large extent?

A. Well, we did it before we had these filterers. We could never get cistern capacity to do it.

Q. Did you ever resort to other means to clarify it?

A. No, sir.

Q. What is the maximum use of that water at the Charity Hospital?

A. Not including the ground floor, 67,000 gallons.

Q. Well, including the ground floor.

A. Well, I would have to guess at that, because we have about forty hydrants on the ground floor.

Q. Well, approximate.

A. Well, I suppose we use in the Charity Hospital about from 85,000 to 95,000 gallons of water a day.

288 Q. Have you any knowledge as to whether the flow of water is affected by a fire breaking out?

A. Yes, sir; a fire at times does diminish the pressure for a little while in the starting off. It depends upon the locality of the fire to a very great extent. If the fire is back of town, some of the small mains, it runs the pressure down sometimes as much as three to five pounds.

Q. What is the effect of that upon the flow of water that you get into the hospital?

A. Well, it would not go up into that 63 feet tank then.

Q. How do you get the water up into these tanks?

A. We pump it up.

Q. Could you depend upon a supply of water in these tanks without pumping?

A. Not up there.

Q. How much did it cost to put your pump in?

A. Including the price of fitting and all?

Q. Yes.

A. Well, our pump—I think that pump cost us $300, and the putting up of the pump is my own labor, as I am employed there.

Q. The pump requires an engineer, does it?

A. Well, it would not be absolutely necessary to have an engineer to run that pump.

Q. It would require an engine?

A. Yes, sir; it would require a steam-engine to run the pump.

A man who has had some experience in steam and handling
289 pumps would be sufficient to take charge where there is nothing else but a pump, but we have other machinery regardless of that pump.

Q. Operating the pump requires an additional expense for fuel?

A. Yes, sir. There is no doubt about that.

Q. Could you estimate the quantity of fuel it takes to run that pump?

A. Well, our additional expense of running that pump would amount to very little. That is due to our having to send steam to a great many parts of the building; but I suppose that the pump would cost about a dollar a day to run.

Q. You mean for fuel?

A. Yes, sir; for fuel, not saying anything about its operation or its lubrication.

Q. Have you ever noticed any effect upon the supply of water or the flow of water in the Charity Hospital caused by flushing the pipes of the company?

A. You mean by throwing open the plugs, bringing down the pressure that way?

Q. Yes.

A. That will diminish the pressure where the mains are small. There may be three or four plugs around the locality, and if they open them it brings the pressure down. It does not last so long as at a fire—not over ten or fifteen minutes.

Q. What is the effect with regard to the water that you get if you do not open the plugs?

A. If you do not open the plugs?

290 Q. Yes.

A. You mean whether it adds to its mud qualities if you do not open it?

Q. I want to know if it adds more or less.

A. Well, when you open the plugs there is an agitation, of course, produced in the mains, and the water will run muddy for a little while—ten minutes, probably. Then it becomes quiet again, except our own circulation, caused by the agitation of our pump, which is produced—requires a pressure of seventy feet, which is very little. In other words, very shortly after the plugs are closed the water becomes quiet and deposits its mud in the mains.

Q. Do they notify you when they are opening them?

A. Yes, sir; they do.

Q. What do you do then?

A. We never pay any attention to them.

Q. You never pay any attention to them?

A. No, sir; not a bit.

Q. Have you any apparatus for condensing or cooking the water out there?

A. No, sir; outside of the evaporation in our boilers. We evaporate a quantity of it in our boilers, but it is when the mud is all taken from it. When we use it for drinking purposes it is when the mud is all taken away. Then it is deposited in the higher filterers.

Q. Then you use that water in the boilers?

A. Yes, sir; and for drinking purposes.

Q. What would be the effect upon your boilers if you did
291 not filter the water?

A. Well, we think we would have to wash them out and get rid of this deposit.

Q. Do you know anything about the flow of water down at the old Merz brewery, or where the Southern brewery now is?

A. No, sir.

Q. Do you know anything with reference to the mains from which that brewery is supplied?

A. No, sir.

Q. Do you know anything about the flow of water down in that part of the city?

A. Well, as far as gravitation is concerned and under the pressure, it must be slightly lower than here; consequently there ought to be a little more pressure down there than at the Charity Hospital, because it drains that way from the hospital probably 16, 18, or 20 inches down there, so that there must be a little more pressure there.

Q. Do you know whether the Charity Hospital is supplied free of charge or whether it pays for its water?

A. I do not.

Q. Do you know anything about whether the discharge of the *fœtal* matter into the river at Custom-House street would effect the water in that particular locality?

A. In that particular locality? That covers a great deal of ground, in that particular locality.

Q. I mean by that if you draw water from the river near that pipe.

292 A. Well, you will have to give me a certain number of feet—10, 20, 30, or 40 feet—before I can demonstrate that; you can call the locality seventy feet above.

Q. Well, forty feet straight out.

A. I think it would affect it very little; the chances are not at all.

Q. Do you know anything about the supply of water that the Louisiana Sugar Refining Company gets?

A. No, sir; I have no idea.

Q. Do you know how their pipes are located?

A. No, sir.

Signature waived.

It is agreed between the counsel that the time for taking depositions and proofs in this case be extended until the last Monday in November.

Act establishing the Commercial Bank of New Orleans, approved April 1, 1833—

Offered with complainant's testimony and copied at page 172 of this Transcript.

Act No. 33 of 1877, offered with complainant's testimony
293 and copied at page 161 of this Transcript.

Act amending act 33, approved February, 1878, offered with complainant's testimony and copied at page 170 of this Transcript.

Act No. 56 offered with complainant's testimony and copied at page 34 of this Transcript.

294 *Transfer of Property by the Commercial Bank of New Orleans to City of New Orleans, Marked B 5, Offered with Complainant's Testimony.*

STATE OF LOUISIANA, }
Parish of Orleans, City of New Orleans. }

Be it known that on this nineteenth day of January, in the year of our Lord one thousand eight hundred and sixty-nine, and the ninety-third of the Independence of the United States of America, before me—

Andrew Hero, Jr., a notary public in and for the parish of Orleans and official notary for the city of New Orleans, duly commissioned and qualified, and in presence of the witnesses hereinafter named and undersigned, personally came and appeared the Honorable John R. Conway, mayor of the city of New Orleans and herein acting in such capacity of mayor, under and by virtue of resolution number 1232, new series, passed by the honorable the common council of New Orleans, approved January the sixteenth, 1869, a certified copy of which is hereto annexed for reference; and the same is in the words and figures following, to wit:

Resolved, That in order to complete the purchase and delivery of the water works purchased from the Commercial Bank of New Orleans the mayor be and is hereby authorized to sign a notarial act acknowledging delivery of the same and the movable and
295 immovable property included in said purchase; and on the signing of such act by the president of the Commercial Bank duly authorized the mayor be and is hereby authorized to give his obligation to deliver to said president of the Commercial Bank, within sixty days from the signing of such act, bonds of the city of New Orleans to the amount of thirteen hundred and ninety-three thousand and four hundred dollars, having thirty years to run, and bearing interest at the rate of five per centum per annum from the first day of January, 1869, payable semi-annually on the first day of January and the first day of July in each and every year, provided the same meet with the approval of the city attorney.

And also came and appeared Felix Labatut, president of the Commercial Bank of New Orleans, a duly incorporated institution of this State, and herein acting in such capacity of president under and by virtue of a resolution passed at a meeting of the board of directors of said bank held on the thirteenth day of January instant, a duly certified copy of which said resolution is hereto annexed for reference.

Which said parties declared that whereas by an act of the Legis-

lature of this State incorporating the said Commercial Bank and granting it the privilege of conveying water from the Mississippi river into the city of New Orleans and its faubourgs and into the houses of its inhabitants, entitled "An act to incorporate the Commercial Bank of New Orleans," approved April 1, 1833, it was provided by the 4th and 42d sections thereof that at any time after the expiration of thirty-five years from the passage of said act it
296 shall be lawful for the corporation of the city of New Orleans to purchase from said Commercial Bank of New Orleans the water works to be constructed by said company by virtue of said act at a price to be fixed by arbitrators of whom five shall be chosen by the president and directors of said Commercial Bank of New Orleans and five by the city council of New Orleans, and that the award of said arbitrators, in writing, in case of their agreement, should be binding on the respective parties, and that the amount so decided upon should be payable in bond- of the mayor, aldermen, and inhabitant- of New Orleans, bearing an interest of five per centum per annum, payable semi-annually, and redeemable in not less than ten nor more than thirty years from the day on which said award should be signed and the said water works delivered over to the said corporation of New Orleans;

And whereas the city of New Orleans has deemed it expedient to purchase the said water works, as provided for in sections 4 and 42 of the aforesaid act, and has signified its intention so to do under and by virtue of resolution No. 889, new series, passed by the honorable the common council of New Orleans and approved March 27th, 1868, a certified copy of which said resolution is hereto annexed, and it is in the words and figures following, viz:

No. 889, new series.

Whereas, by an act of the Legislature of the State of Louisiana to incorporate the Commercial Bank of New Orleans, approved April 1, 1833, establishing a company in the city of New Orleans invested with banking privileges, and to be entitled the "Commercial Bank of New Orleans," the chief object of which said com-
297 pany is to be the conveying of water from the river into the city of New Orleans and its faubourgs and into the houses of its inhabitants;

Whereas the first section provides the original capital stock shall be three millions of dollars;

Whereas the fourth section provides that at any time after the expiration of thirty-five years from the passage of this act it shall be lawful for the corporation of the city of New Orleans to purchase from the Commercial Bank of New Orleans the water works constructed by said company in virtue of this act, and said company shall not refuse to sell the works aforesaid, with all the rights and privileges appertaining to the same, on the terms hereinafter provided;

Whereas the thirty-eighth section provides that the corporation of New Orleans shall be supplied by said company, free of charge, with all water necessary for the extinguishment of fires and other

public purposes; as they progress in laying acqueducts they shall place, free of any charge whatever, two hydrants of proper constructions in front of each square, and the said company shall supply a sufficient quantity of clear, pure, and wholesome water for the use of its inhabitants at the elevation of fifteen feet when the same may be required;

Whereas the forty-second section provides that if after the expiration of thirty-five years the said corporation of New Orleans shall be inclined to buy the said water works from the Commercial Bank of New Orleans the price shall be fixed by arbitrators, five
298 of whom shall be chosen by the president and directors of the Commercial Bank of New Orleans and five by the city council of New Orleans; said arbitrators shall take into consideration the value of the water works and grounds appertaining thereto, and the amount so agreed upon shall be payable in bonds bearing five per cent. interest, redeemable in not less than ten nor more than thirty years: Therefore be it—

Resolved, That the city of New Orleans will purchase the Commercial Water Works upon the terms and conditions as provided for in an act of the Legislature of the State of Louisiana to incorporate the Commercial Bank of New Orleans, approved April 1, 1833.

(Signed) WM. T. HEPP,
President Board of Assistant Aldermen.

(Signed) JAMES GRAHAM,
President Board of Aldermen.

Approved March 27, 1868.

(Signed) E. HEATH, *Mayor.*

A true copy.

D. K. WHITAKER, *Secretary.*

And whereas, agreeably to the provisions of said section 42 of the aforesaid act of the Legislature incorporating said Commercial Bank of New Orleans, the common council of the city of New Orleans, at a joint session thereof held on the 7th April, 1868, elected Messrs. Josiah B. Richardson, Edward Filleul, John M. G.
299 Parker, William H. Bell, and Daniel Blair, all of this city, as the five arbitrators on the part of the city, and at a subsequent joint session of said council held on the 5th day of May, 1868, John Lockwood, of this city, was elected as one of the five arbitrators on the part of the city in the place of Daniel Blair, previously elected, but who had resigned the position of such arbitrator, as will appear by reference to the annexed extract from the minutes of said common council, and the president and directors of said Commercial Bank, agreeably to said section No. 42, at a meeting thereof held on the 2d day of May, 1868, elected Messrs. William C. C. Claiborne, John Communy, Frank H. Hatch, James Freret, and Joseph Hernandez, all of this city, as the five arbitrators on the part of the said Commercial Bank of New Orleans, as will appear by reference to the annexed extract from the minutes of the proceedings of the said meeting;

And whereas the said ten arbitrators, after having taken into consideration the value of the said water works and grounds appertaining thereto for supplying the city and faubourgs of New Orleans with water by the said company, agreed and fixed the price at which said water works and all its appurtenances (with the exception of said buildings and lot of ground situated on Dryades street) should be sold to the city of New Orleans for the sum of two millions of dollars, payable in bonds of the city of New Orleans, as provided for by the 42d section of the charter of said bank, which said report is in the words and figures following, to wit:

To the honorable mayor and common council of New Orleans:

300 We, the undersigned, having been appointed by the city of New Orleans and the Commercial Water Works Company arbitrators for the purpose of fixing the price for which said water works and its appurtenances are to be sold to said city of New Orleans, five of us having been appointed by the common council of said city, namely:

J. M. G. Parker, Josiah B. Richardson, John Lockwood, Edward Filleul, and William H. Bell;

And five by the said Commercial Water Works Company, namely:

W. C. C. Claiborne, John Communy, Frank H. Hatch, James Freret, and Joseph Hernandez;

After having met several times and examined thoroughly the property of said company and taken into consideration the value of the water works and grounds appertaining thereto for supplying the city and faubourgs of New Orleans with water by said company, hereby fix the price of said water works, in pursuance to the 42d section of the charter of said corporation, at the sum of two millions of dollars, for which price the water works and all its appurtenances (with the exception of the buildings and lot of ground situated on Dryades street) are to be sold by the said corporation to the city of New Orleans, the said sum payable in bonds of the city of New Orleans, as provided by the 42d section of the charter of said bank.

(Signed)

JOHN LOCKWOOD. W. C. C. CLAIBORNE.
JOSIAH B. RICHARDSON. F. H. HATCH.
J. HARNANDEZ. E. FILLEUL.
W. H. BELL. J. M. G. PARKER
301 JN. COMMUNY. JAS. FRERET.

New Orleans, July 22nd, 1868.

All relative to which will more fully appear by reference to the annexed certified extract from the proceedings of the board of assistant aldermen of the common council of the city of New Orleans, at a meeting thereof held on the 28th day of July, 1868.

And whereas the city of New Orleans is a stockholder in the capital stock of the said Commercial Bank of New Orleans for five thousand shares of one hundred dollars each, by reason of which the said city is entitled to a credit of five hundred thousand dollars on the aforesaid sum of two millions of dollars agreed upon by the

said arbitrators as the price which the said city of New Orleans should pay for said water works and appurtenances. Said city is also entitled to a further credit on said price of the sum of one hundred and six thousand six hundred dollars, the same arising from its interest as such stockholder in and to the cash pertaining to the sinking fund created under the provisions of the 23d section of the charter of said Commercial Bank, and which said sums of five hundred thousand dollars and one hundred and six thousand six hundred dollars, making the total sum of six hundred and six thousand six hundred dollars, being deducted from the said price and sum of two millions of dollars makes the amount which said city of New Orleans is to pay for the aforesaid water works, with the appurtenances and grounds appertaining thereto, the sum of one million three hundred and ninety-three thousand and four hundred dol-
302 lars, payable in bonds, which the said city is authorized to execute and deliver under the provisions of an act of the General Assembly of this State, entitled "An act to amend an act entitled An act to incorporate the Commercial Bank of New Orleans, approved April 1st, 1833; approved July 22nd, 1868:"

Now, therefore, in consideration of the premises and in order to give the city of New Orleans an authentic title to the said water works and all appurtenances thereto pertaining, the said Felix Labutut moreover declared, in his said capacity, that by virtue of the authority in him vested by the aforesaid resolution of the board of directors of said Commercial Bank of New Orleans, and for the consideration and on the terms and conditions hereinafter expressed, he does by these presents deed, grant, bargain, sell, convey, transfer, assign, set over, and deliver unto the city of New Orleans, herein represented by the said Honorable John R. Conway, mayor thereof, who accepts the same for the said city and its assigns and acknowledges delivery and possession thereof—

All and singular the property, real and personal, of whatever nature of kind soever, belonging to the water works constructed and established by the said Commercial Bank of New Orleans, and the dykes, mounds, reservoirs, machinery, engines, boilers, conduits, aqueducts, pipes, tools, and other appurtenances appertaining thereto.

And the real estate aforesaid is described as follows, to wit:
303 1st. A certain square of ground, together with the reservoir, buildings, and all other improvements thereon, and the rights, servitudes, ways, privileges, and appurtenances thereunto belonging or in anywise appertaining, situated in the Faubourg Annunciation, first district of this city, designated by the number eighteen on a plan of said faubourg drawn by B. Lafon, surveyor, dated the fifteenth day of May, one thousand eight hundred and seven, which said square is bounded by Religious, St. Thomas (formerly St. John the Baptist), Richard, and Market streets, and it has a front on each of the said streets of three hundred feet. Said square of ground was acquired by the said Commercial Bank of New Orleans by purchase and as the last and highest bidder thereon at a public sale thereof, made by George Washington Morgan, sheriff

of the parish of Orleans aforesaid, on the fifth day of May, one thousand eight hundred and thirty-four, under and by virtue of an order of seizure and sale to him directed by the honorable the parish court of the parish of Orleans at the suit of Didier Dreux *vs.* John Green, number 7377 of the docket of the said court, as per the deed of sale in the premises, hereunto annexed, made by the said sheriff and bearing date the nineteenth day of May, A. D. eighteen hundred and thirty-four: and by an act passed before Hilary B. Cenas, late a notary in this city, on the nineteenth day of May, eighteen hundred and thirty-four, John D. Bein, James Peuch, John Armstrong, William S. Leverich, Alexander McKeever, Isaac
304 L. McCay, and Sarah Matilda Beck, parties to said act and joint proprietors of said square of ground at the time of the public sale thereof made as aforesaid, did severally and each for the proportion of the square of ground claimed by him or her therein ratify and confirm the said sheriff's sale and hold the same binding on them in the same manner and to the same extent as if it had been their own proper act and will, all in relation to which will more fully appear in the said act, to which reference is hereby made.

2nd. A certain piece or portion of ground, together with all the buildings and improvements thereon, and the machinery, boilers, engines, cisterns, rights, privileges, servitudes, ways, and appurtenances thereunto belonging or in anywise appertaining, situated in the suburb Lacourse, first district of this city, in the square bounded by New Levee, Tchoupitoulas, Richard, and Orange streets, and measuring one hundred and ninety-one feet nine inches and six lines front on New Levee street, one hundred and ninety-one feet nine inches and four lines front on Tchoupitoulas street, three hundred and eighty-three feet seven inches and three lines front on Richard street, and three hundred and thirty-three feet seven inches and three lines on a straight line running from the termination of the line of New Levee street aforesaid to the termination of the line on Tchoupitoulas street aforesaid, parallel to Orange street, and dividing the said piece or portion of ground from the properties now or formerly belonging to A. Caldwell and R. Toledano, which form the remainder of said square.

305 Said piece or portion of ground was, prior to its acquisition by the said Commercial Bank of New Orleans, divided into twenty lots, and they were acquired by said Commercial Bank as follows, to wit: Eight thereof designated by the numbers "1," "2," "3," "4," "5," "18," "19," and 20 on a plan thereof drawn by Charles F. Zimpel, surveyor, and deposited in the office of G. R. Stringer, late a notary in this city, as plan No. 4, and measuring together one hundred and ninety-one feet nine inches and four lines front on Tchoupitoulas street and one hundred and eighty-four feet four inches and seven lines front on Richard street, forming the corner of Tchoupitoulas and Richard street-, in said square, by purchase and as the last and highest bidder thereon at a public sale thereof made by George W. Morgan, sheriff of this parish, on the sixteenth day of June, A. D. eighteen hundred and thirty-four, by virtue of an order of execution to him directed by the district court of the first judicial

district of the State of Louisiana in a suit of partition entitled John Green and J. W. Justamond *vs.* Widow Maguire, in her own name and as tutrix of her minor child, No. 11213 of the docket of said court, as per the said sheriff's deed of said sale, dated the 10th day of July, 1884; also seven thereof designated by the numbers "1," "2," "3," "4," "5" "6," and "7" on a plan drawn by said Surveyor Zimpel, dated 27th of April, 1832, and deposited in the office of said late notary, H. B. Cenas, which said seven lots measure together seventy-one feet nine inches and six lines front on New Levee street and one hundred and ninety-nine feet two inches and four lines front on Richard street, forming the corner of New Levee and Richard streets, in
306 said square, by purchase from Levi Pierce, as per the act of sale thereof passed before the said late notary, H. B. Cenas, on the 13th day of April, 1835; also two thereof designated by the numbers "9" and "10" on a plan drawn by said Surveyor Zimpel, deposited in the office of said notary, G. R. Stringer, and measuring together forty-eight feet front on New Levee street, by purchase from Pascal M. Tourne and Nicholas Beckwith, as per the act of sale thereof, passed before the said late notary, H. B. Cenas, on the 3rd day of April, 1835; lastly by the three remaining of said lots, designated by the numbers "6," "7," and "8" on a plan drawn by Surveyor Zimpel in the year 1832, and deposited in the office of said notary, G. R. Stringer, measuring together seventy-two feet front on New Levee street, by purchase from Alexander Grailhe, as per the act of sale thereof passed before the said late notary, H. B. Cenas, on the 14th day of February, 1839; and by an act of compromise entered into between the said Alexander Grailhe and the said Commercial Bank of New Orleans, and passed before the said notary, H. B. Cenas, on the 13th day of December, 1844, certain matters of dispute between the said parties growing out of said sale were settled to their mutual satisfaction.

And the personal property herein transferred having been delivered to the commissioners of the water works of said city of New Orleans, and they being satisfied with the quantity of the articles so delivered, the said Mayor Conway hereby dispenses with a particular and exact inventory thereof for annexation hereto, as is otherwise required by law.

307 By reference to the annexed certificates of the register of conveyances and the recorder of mortgages in and for this city and parish, dated this day, it will be seen, first, that the real estate and appurtenances herein described have not been alienated by said Commercial Bank of New Orleans prior to the date hereof, and stand registered in its name; and, second, that the said property is free from encumbrances in the name of said bank, with the exception of the privilege of drainage; and also the general mortgage in favor of the city of New Orleans for the sum of two thousand three hundred and ninety-two dollars, with interest, costs, &c., resulting from a judgment rendered by the honorable the second district court of New Orleans on the thirteenth day of March, eighteen hundred and fifty-eight, against the Commercial water works for taxes of eighteen hundred and fifty-six:

To have and to hold the said property and appurtenances unto the city of New Orleans and its assigns forever.

And the said Labatut, in his said capacity, moreover transfers unto the city of New Orleans all the rights and actions of warranty to which the said Commercial Bank of New Orleans is or may be entitled against all the former proprietors of the property herein conveyed, subrogating the said city of New Orleans to the said rights and actions, to be by it enjoyed and exercised in the same manner as they might have been by said Commercial Bank of New Orleans.

This sale and transfer is made and accepted, in conformity with the above award of said arbitrators, agreeably to the aforesaid
308 deduction, agreed upon by and between the board of directors of said Commercial Bank of New Orleans and the city of New Orleans, for and in consideration of the price and sum of one million three hundred and ninety-three thousand four hundred dollars and interest, as hereinafter expressed; in settlement of which the said Mayor Conway hereby promises for and obligates the city of New Orleans to deliver or cause to be delivered within sixty days from and after the date of these presents unto the president of said Commercial Bank of New Orleans bonds of the city of New Orleans, signed by the mayor, comptroller, and treasurer thereof, amounting in the aggregate to the said sum of one million three hundred and ninety-three thousand four hundred dollars, and of such amounts as may be agreed upon, payable on the first day of January, A. D. eighteen hundred and ninety-nine, at the office of the city treasurer, and bearing interest at the rate of five per cent. per annum from and after the first day of January, A. D. eighteen hundred and sixty-nine, payable semi-annually on the first day of January and July of each and every year during the period aforesaid, at the office of said city treasurer, and for which interest the requisite number of coupons will be attached to each bond.

The aforedescribed real estate is exempted by law from the payment of all State and city taxes; and receipts have been produced and exhibited to me, notary, showing that eight several instalments for drainage have been paid on said property.

And finally it is understood and agreed to that the build-
309 ings and lot of ground situated on Dryades street and specified in the aforesaid report of the said arbitrators as being excluded from this sale and transfer is more particularly defined and described as a certain lot of ground, together with all the buildings and improvements thereon and all rights and privileges thereto belonging, situate in the first district of this city, in the square bounded by Dryades, Canal, Rampart, and Common streets, and measuring, in English measure, fifty-two feet front on Dryades street and forty-five feet in width in the rear by one hundred and five feet six inches in depth, being the same property which the said Commercial Bank of New Orleans acquired by purchase from Mrs. Marion Jackson by an act passed before said late notary, Hilary B. Cenas, on the second day of March, one thousand eight hundred and fifty-seven.

Thus done and passed in my office, at New Orleans aforesaid, in the presence of Messrs. James Graham and George Cenas, witnesses

of lawful age, domiciliated in this city, who hereunto sign their names with the parties and me, the said notary, on the day and year set forth in the caption hereof, after due reading of the foregoing.

(Original signed) FELIX LABATUT, *President.*
JOHN R. CONWAY, *Mayor.*
ANDREW HERO, JR., *Not. Pub.*

JAS. GRAHAM.
GEO. CENAS.

Approved.
(Signed) HENRY J. LEOVY, *City Att'y.*

310 Registered in conveyance office, B. 96, fos. 65, 66, and 67.
New Orleans, March 22, 1869.
P. G. LABARIE, *D'y Reg.*

I certify that the above and foregoing is a true and correct copy of the original act extant in my notarial archives.
As witness my hand and seal, at New Orleans, this May 30, 1887.
ANDREW HERO, JR., *Not. Pub.*

Transfer, City of New Orleans to New Orleans Water Works Company, marked "B 6," offered with complainant's testimony.

N. O., *9th Ap'l*, 1878.

Transfer.

City of N. O.
to
N. O. Water Works Co. } No. 117.

UNITED STATES OF AMERICA.

STATE OF LOUISIANA,
Parish of Orleans, City of New Orleans.

311 Be it known that on this ninth day of the month of April, in the year of our Lord one thousand eight hundred and seventy-eight, and of the Independence of the United States of America the 102d—

Before me, Gustave Le Gardeur, Jr., a notary public, duly commissioned and sworn, in and for the parish and city aforesaid, therein residing, and in the presence of the witnesses hereinafter named and undersigned—

Personally came and appeared—

The Honorable Edward Pilsbury, mayor of the city of New Orleans, herein duly authorized in the full execution of these presents under and by virtue of a resolution No. 4416, administration series, adopted by the council of the city of New Orleans on the 26th day of March, 1878, a certified copy of which said resolution is hereto annexed for reference.

And also came and appeared—

Edward Toby, Esquire, of this city, herein appearing, stipulating

and acting for and in the name and on behalf and as president of the New Orleans Water Works Company, a corporation of this city, duly created by act No. 33 of the Legislature of this State, entitled "An act to enable the city of New Orleans to promote the public health and to afford greater security against fire by the establishment of a corporation to be called the 'New Orleans Water Works Company;' to authorize the said company to issue bonds for the purpose of extending and improving the said works, and to furnish the inhabitants of New Orleans an adequate supply of pure and wholesome water; to permit the holders of water-works bonds
312 to convert them into stock and to provide for the liquidation of the bonded and floating debt of the city of New Orleans," approved March 31st, 1877, and amended by act No. 43 of the Legislature of this State, entitled "An act relative to the charter of the New Orleans Water Works Company, and amending an act number thirty-three of extra session of eighteen hundred and seventy-seven (1877)," approved February 26th, 1878, the said Edward Toby herein acting as president aforesaid and duly authorized in the full execution of these presents under and by virtue of a resolution adopted by the board of directors of the said New Orleans Water Works Company at their sitting of the 8th day of April, 1878, a certified copy of which said resolution is hereto annexed for reference.

Which said appearers, in their respective capacity, severally declared and said—

That in compliance with the provisions and requirements of said act No. 33, approved March 31st, 1877, as amended by said act No. 43, approved February 26th, 1878, the said New Orleans Water Works Company has been duly organized.

That in accordance with the public notice given by the mayor the subscribers to the capital stock of the said New Orleans Water Works Company have assembled together at the office of the Merchants' Mutual Insurance Company, No. 104 Canal street, in this city, on the thirtieth day of March, 1878, between the hours of 12 m. and 2 p. m., and that then and there, in compliance with the provisions of section 3 of said act No. 33, as amended by said act No. 43,
313 they, the said subscribers, have elected the board of directors of the said New Orleans Water Works Company, as the whole will more fully appear by the procès verbal of the meeting of the said subscribers, a certified copy whereof is hereto annexed for reference.

That in conformity with the provisions of said act No. 33 creating the said company it, the said New Orleans Water Works Company, has transferred and delivered to the city of New Orleans, as is hereby acknowledged by the said Mayor Pilsbury, for and in the name of the city of New Orleans, all the certificates for the shares of stock of the said New Orleans Water Works Company, amounting to twenty thousand shares of one hundred dollars each, forming the capital stock of two millions of dollars ($2,000,000) of said company.

That in further compliance with said act No. 33, approved March 31st, 1877, the stock thus transferred and delivered to the city of

New Orleans as aforesaid has been disposed of by the said city in the manner following, to wit:

1°. Amount of stock fully paid and not subject to assessment subscribed for by the city of New Orleans, six hundred and six thousand six hundred dollars	$606,600 00
2°. Amount issued to the city, in the proportion of one share of stock full paid and not subject to assessment for each and every one hundred dollars of water-works bonds funded in premium bonds, four hundred and fifty-one thousand four hundred dollars	451,400 00
3°. Amount issued to the city, in the proportion of one share of stock full paid and not subject to assessment for each and every one hundred dollars of water-works bonds redeemed by the city, one hundred and eleven thousand five hundred dollars	111,500 00
4°. Amount exchanged by the city with the subscribers to the capital stock of the said New Orleans Water Works Company, in the proportion of one share of stock full paid and not subject to assessment for each and every one hundred dollars of water-works bonds surrendered by the said subscribers to the city, five hundred and one thousand six hundred dollars	501,600 00
5°. Amount reserved for the benefit of all holders of water-works bonds who may elect to subscribe to the capital stock of the said New Orleans Water Works Company, to be exchanged by the city with the holders of said bonds in the proportion of one share of stock full paid and not subject to assessment for each and every one hundred dollars of said water-works bonds surrendered to the city, three hundred and twenty-eight thousand nine hundred dollars	328,900 00
Total amount of stock transferred and delivered to the city, two millions of dollars	$2,000,000 00

Now, therefore, by virtue of the foregoing and in consideration of the two millions of dollars of stock hereinabove transferred and delivered to the city, the receipt whereof is hereby acknowledged by the said Mayor Pilsbury, he, the said Mayor Pilsbury, declared that by virtue of the authority in him vested by the aforesaid resolution No. 4416, administration series, and in compliance with section 4 of said act No. 33, approved March 31st, 1877, creating the said New Orleans Water Works Company, he, the said mayor, does by these presents, in his said capacity and for and in the name and on behalf of the city of New Orleans, grant, bargain, sell, convey, transfer, assign, and set over, with all legal warranties and with full subrogation to all the rights and actions

of warranty to which the city of New Orleans is or may be entitled against all preceding vendors and owners, unto the said New Orleans Water Works Company, the said Edward Toby, as president aforesaid, accepting and purchasing for and in the name of the said New Orleans Water Works Company and acknowledging due delivery and possession thereof—

All and singular the property, real and personal, of whatever nature or kind soever, belonging to the water works constructed and established by the Commercial Bank of New Orleans and subsequently by the city of New Orleans, and the dykes, mounds, reservoirs, machinery and apparatus, engines, boilers, pumps, conduits, aqueducts, pipes, tools, and all appurtenances thereunto belonging or in anywise appertaining.

And the following real estate, to wit:

1°. A certain square of ground, together with the reservoirs, buildings, and all other improvements thereon, and the rights, servitudes, ways, privileges, and appurtenances thereunto belonging or in anywise appertaining, situate in the Faubourg An-
316 nunciation, in the first district of this city, designated by the No. eighteen on a plan of said faubourg drawn by B. Lafon, surveyor, dated the fifteenth day of May, 1807; which said square is bounded by Religious, St. Thomas, formerly St. John the Baptist, Richard, and Market streets, and it has a front on each of the said streets of three hundred feet; and by a sketch made by J. A. D'Hemecourt, city surveyor, dated the 5th day of April, 1878, and hereto annexed for reference, the said square is designated by the No. eighty-three and measures three hundred and nineteen feet eight inches and two lines front on Religious street, three hundred and nineteen feet ten inches and one line front on St. Thomas street, three hundred and nineteen feet eleven inches and one line front on Market street, and three hundred and nineteen feet two inches and four lines front on Richard street.

2°. A certain piece or portion of ground, together with all the buildings and improvements thereon, and the machinery and apparatus, boilers, engines, iron chimney, and all the rights, privileges, servitudes, ways, and appurtenances thereunto belonging or in anywise appertaining, situate in the suburb Lacourse, in the first district of this city, in the square bounded by New Levee, Tchoupitoulas, Richard, and Orange streets, and measuring one hundred and ninety-one feet nine inches and six lines front on New Levee street, one hundred and ninety-one feet nine inches and four lines front on Tchoupitoulas street, three hundred and eighty-three feet seven inches and three lines front on Richard street, and three
317 hundred and eighty-three feet seven inches and three lines on a straight line running from the termination of the line on said New Levee street to the termination of the line on Tchoupitoulas street aforesaid, parallel to Orange street and dividing the said piece or portion of ground from the property now or formerly belonging to A. Caldwell and R. Toledano, which form the remainder of said square, which is designated by the No. thirty-nine on the above-mentioned sketch by J. A. D'Hemecourt, according to

which said sketch said piece or portion of ground measures one hundred and ninety-one feet six inches and six lines front on New Levee street, one hundred and ninety-one feet seven inches and six lines front on Tchoupitoulas street, three hundred and eighty-three feet seven inches and two lines front on Richard street, and three hundred and eighty-three feet and eight inches on said line dividing the said piece or portion of ground from the property of Caldwell and Toledano.

All of which said above-described property, real and personal, was acquired by the city of New Orleans by purchase from the Commercial Bank of New Orleans by act passed before Andrew Hero, Jr., a notary public in this city, on the nineteenth day of January, 1869.

3°. A certain square of ground, together with all the rights, ways, privileges, and appurtenances thereunto belonging or in anywise appertaining, situate in the first district of this city, comprised between Peters (late New Levee), Water, Orange, and Richard streets, and designated by the number thirty-two A, as per plan drawn by Louis St. Pilié, surveyor, dated the 29th of June, 1867,
318 and deposited for reference in the office of H. C. Dibble, a notary public in this city, as plan No. 19, according to which said plan said square is divided into twenty-eight lots, numbered from one to twenty-eight, inclusive, and they measure as follows, to wit:

Lot No. one forms the corner of Water and Richard streets and measures twenty-six feet nine inches and two lines front on Water street, twenty-six feet nine inches and three lines in width in the rear by one hundred and nine feet and four inches in depth and front on Richard street.

Lots Nos. two to eleven, inclusive, adjoin each other and measure each twenty-six feet and seven inches front on Waters street by one hundred and nine feet and four inches in depth between parallel lines.

Lot No. twelve forms the corner of Water and Orange streets and measures twenty-six feet nine inches and two lines front on Water street, twenty-six feet nine inches and three lines in width in the rear by one hundred and nine feet and four inches in depth and front on Orange street.

Lots Nos. thirteen and fourteen adjoin each other and measure each twenty-seven feet front on Orange street by one hundred and fifty-nine feet eight inches and four lines, more or less, in depth between parallel lines.

Lot No. fifteen forms the corner of Orange and Peters streets and measures twenty-six feet eight inches and six lines front on Peters street, twenty-six feet nine inches and four and a half lines
319 in width in the rear by one hundred and nine feet and four lines in depth and front on Orange street.

Lots Nos. sixteen to twenty-five, inclusive, adjoin each other and measure each twenty-six feet and seven inches front on Peters street by one hundred and nine feet and four inches in depth between parallel lines.

Lot No. twenty-six forms the corner of Peters and Richard streets

and measures twenty-six feet nine inches and five lines front on Peters street by one hundred and nine feet and four inches in depth and front on Richard street.

Lots Nos. twenty-seven and twenty-eight measure each twenty-seven feet front on Richard street by one hundred and fifty-nine feet eight inches and four lines in depth between parallel lines.

And by the above-mentioned annexed sketch of J. A. D'Hemecourt said square is designated by the No. 21 B, and measures three hundred and nineteen feet four inches and four lines front on Water street, three hundred and nineteen feet five inches and three lines front on Peters street, two hundred and seventy-two feet and eight inches front on Richard street, and same front on Orange street.

And the said square of ground was acquired by the city of New Orleans from John H. O'Connor, by act passed before Andrew Hero, Jr., a notary public in this city, on the sixteenth day of July, 1872:

To have and to hold the herein-conveyed property unto the said New Orleans Water Works Company, its successors and as-
320 signs forever, by virtue of these presents, subject, however, to the provisions of section 17 of said act No. 33, approved March 31st, 1877, as amended by said act No. 43, approved February 26th, 1878.

By reference to the annexed certificate of the register of conveyances it does not appear that the herein-conveyed property had been heretofore alienated by the said vendor.

And now the said parties hereto declared that they do hereby dispense with the certificate of the recorder of mortgages and exonerate the undersigned notary from any and all responsibility for the non-production of said certificate.

Thus done and passed in New Orleans, at my office, the day, month, and year first above written, in the presence of Messrs. Armand Pitot, Jr., and Edward Pitot, competent witnesses, who have signed with the said parties and me, notary, after reading the whole.

(Original signed) E. PILSBURY, *Mayor.*
EDWARD TOBY, *President.*
EDW. PITOT.
A. PITOT, JR.
G. LE GARDEUR, JR.,
Not. Pub.

Registered in Conveyance Book No. 110, folio No. 453.
New Orleans, April 9th, 1878.

[Seal of Register of Conveyances.]

(Signed) D. B. PENN, *R. C.*

STATE OF LOUISIANA, }
City of New Orleans. }

321 I hereby certify the above and foregoing to be a true and correct copy of the original act on file and of record in the archives of my office.

In faith whereof I hereunto set my hand and affix my
[SEAL.] seal of office this 28th day of May, A. D. 1887.

(Signed) M. VOORHIES,
Custodian Notarial Records.

(Here follows Soard's official map, marked page 322.)

323 *Series of 19 Attested Copies of Ordinances Granting Authority to Individuals and Corporations to Lay Pipes, &c. Offered with Complainant's Testimony.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *October* 7, 1874.

(No. 2785, administration series.)

Resolved, That permission be, and the same is hereby, granted to George Faehnle to lay a water pipe from Canal Carondelet to premises No. 96, situated at the intersection of Robertson and Toulouse streets, for the purpose of pumping water from said canal to his planing mill, provided that said Faehnle obtains hereto the consent of the president of the Carondelet Canal and Navigation Company, and that said pipe shall be laid under the direction of the city surveyor, and that this permission may be revoked at any time at the pleasure of the city council.

Adopted by the council of the city of New Orleans October 6, 1874.

LOUIS A. WILTZ, *Mayor.*

A true copy.
DANIEL SCULLY, *Secretary.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, 1887.

A true copy of resolution No. 2785, administration series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.] E. L. BOWER,
Chief Clerk.

324 MAYORALTY OF NEW ORLEANS,
CITY HALL, *May* 10, 1887.

No. 832, administration series.

Resolved, That permission, revocable at the pleasure of the city council, is hereby granted to Messrs. McIntyre & Applegate to introduce a two-inch pipe leading from the river to the marble works of Reynolds & Garber, foot of Washington street.

Adopted by the council of the city of New Orleans May 9, '71.

(S'g'd) BENJ. F. FLANDERS, *Mayor.*

(S'g'd) H. CONQUEST CLERKE, *Secretary.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

A true copy of resolution No. 832, administration series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

(Signed) E. L. BOWER,
[SEAL.] *Chief Clerk.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *November* 10, 1880.

(No. 6714, administration series.)

325 Resolved, That permission be, and is hereby, granted to the Louisiana Ice Manufacturing Company to erect the necessary machinery for an ice factory on Delta street, square 3 A, bounded by Front, Delta, Poydras, and Lafayette streets; and, further, to lay two pipes (one for receiving and the other for discharging) underground from the factory, on Delta street, to Poydras street and from Poydras street direct to the river; the pipes to be twelve-inch and the river end to be so constructed as not to interfere with the landing of steamboats. The streets and levee through which the said pipes are laid are to be replaced in the same good condition as before: Provided, that all the work to be done under the supervision and direction of the city surveyor and to the complete satisfaction of the administrators of commerce and improvements and the city surveyor: Provided further, that the said ice manufacturing company shall give security in a bond of one thousand ($1,000) dollars for the faithful performance of the work and as an earnest of their intention to keep the said street and levee where the pipes are laid and the excavations made in good repair until the earth above the pipes becomes solid and is so reported by the city surveyor.

Adopted by the council of the city of New Orleans November 9, 1880.

Yeas—Behan, Chevalley, Collins, Glynn, Isaacson, Marks.

I. W. PATTON, *Mayor.*

A true copy.
N. S. ABRAMS,
Assistant Secretary.

326 MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 25, '87.

A true copy of resolution No. 6714, administration series, adopted by the council of the city of New Orleans, approved by the mayor, and duly promulgated in the official journal.

(Signed) E. L. BOWER,
[SEAL.] *Chief Clerk.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *Sept.* 27, 1886.

No. 1952, council series.

An ordinance to authorize the Lane Cotton Mills to change their pipe leading to the river.

Be it ordained by the city council, That the Lane Cotton Mills be, and are hereby, authorized to substitute their pipe leading from said mills to the river with a new pipe.

Be it further ordained, That said substitution be made under the supervision of the city surveyor and the commissioner of public works.

Adopted by the council of the city of New Orleans Sept. 21, 1886.

W. H. MICHEL,
Assistant Clerk of Council.

Approved Sept. 27, 1886.

J. V. GUILLOTTE, *Mayor.*

327 MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of ordinance No. 1952, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
[SEAL.] *Chief Clerk.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *October* 30, 1884.

No. 977, council series.

Resolved, That permission be, and is hereby, granted to Messrs. Manning & Renaud to lay pipes from their refinery, No. 104 and 107 North Peters street, to a point on the wharf, providing the said Manning & Renaud furnish a bond in the sum of five ($500) hundred dollars to replace the streets in good condition.

This privilege revocable at the pleasure of the council.

Adopted by the council of the city of New Orleans October 28, 1884.

M. McNAMARA,
Clerk of Council.

Approved October 30, 1884.

D. M. KILPATRICK,
Mayor pro tem.

A true copy.
TH. BUISSON,
Secretary to the Mayor.

328 MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

A true copy of resolution No. 977, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

[SEAL.]

MAYORALTY OF NEW ORLEANS,
CITY HALL, *25th June*, 1883.

(No. 342, council series.)

An ordinance granting permission to the "Enterprise Ice Manufacturing Company" to erect all necessary machinery in their factory, corner of Peters and Pauline streets, and to lay water pipes in connection with the same *with* the Mississippi river.

Be it ordained by the council of the city of New Orleans, That permission be, and is hereby, granted to the "Enterprise Ice Manufacturing Company" to erect all necessary machinery on their premises, situated at the corner of Peters and Pauline streets, in the third district, and to lay pipes in connection with their factory across Peters street to the Mississippi river, to be used by the said factory as a water supply.

Provided, That the said "Enterprise Ice Manufacturing Company" binds itself to lay the above-mentioned pipes under the im-
329 mediate supervision of the commissioner of public works; and, further, to repair and replace the street and portion of the levee through which said pipes may be laid in the said good order and condition as when first broken up; all of which shall be performed to the entire satisfaction of the said commissioner.

Adopted by the council of the city of New Orleans 21st June, 1883.

W. H. MICHEL,
Assistant Clerk of Council.

Approved 25th June, 1883.

W. J. BEHAN, *Mayor.*

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

A true copy of ordinance No. 342, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.]

E. L. BOWER,
Chief Clerk.

MAYORALTY OF NEW ORLEANS,
CITY HALL, 18*th May*, 1883.

330 (No. 298, council series.)

Be it ordained, That permission be, and is hereby, granted to M. J. Deady to erect a "pottery" for the manufacture of earthenware on his property on Euphrosine between Willow and Claiborne streets; this permission revocable at the pleasure of the council.

Adopted by the council of the city of New Orleans 15th May, 1883.

M. McNAMARA,
Clerk of Council.

Approved 18th May, 1883.

W. J. BEHAN, *Mayor.*

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

A true copy of ordinance No. 298, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

[SEAL.]

MAYORALTY OF NEW ORLEANS,
CITY HALL, *January* 18, 1882.

(No. 7569, administration series.)

Resolved, That permission be, and is hereby, granted T. T.
331 White & Co. to lay an escape pipe from machinery in building No. 948 New Levee street to the Mississippi river, provided the streets are restored to their original condition upon completion of the work.

Adopted by the council of the city of New Orleans January 17, 1882.

Yeas—Delamore, Fagan, Fitzpatrick, Guillotte, Huger, Mealey, Walshe.

JOS. A. SHAKSPEARE, *Mayor.*

A true copy.
M. McNAMARA, *Secretary.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

A true copy of resolution No. 7569, administration series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

[SEAL.]

MAYORALTY OF NEW ORLEANS,
CITY HALL, 18*th January*, 1883.

(No. 68, council series.)

Resolved, That permission be hereby granted to Messrs. S.
332 Hernsheim & Bro. to lay a pipe from *his* factory to the river on Julia street, according to lines and grades to be given by the city surveyor, and the street to be repaired to the entire satisfaction of the commissioner of public works.

Adopted by the council of the city of New Orleans 16th January, 1883.

M. McNAMARA,
Clerk of Council.

Approved 18th January, 1883.

W. J. BEHAN, *Mayor.*

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of resolution No. 68, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.]

E. L. BOWER,
Chief Clerk.

MAYORALTY OF NEW ORLEANS,
CITY HALL, 1*st March*, 1883.

(No. 148, council series.)

333 Resolved, That permission be, and is hereby, granted Messrs. S. Hernsheim & Bro. to lay pipes through the streets connecting their factory, corner Julia and Magazine streets, with the Mississippi river, provided that the streets through which said pipes are laid are replaced in their original good condition, the work to be done under the supervision of the commissioner of public works and city surveyor.

Adopted by the council of the city of New Orleans 27th February, 1883.

M. McNAMARA,
Clerk of Council.

Approved 1st March, 1883.

M. D. LAGAN,
Mayor pro Tempore.

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of resolution No. 148, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

[SEAL.]

MAYORALTY OF NEW ORLEANS,
CITY HALL, *15th March*, 1883.

(No. 187, council series.)

An ordinance providing for the erection of all necessary ma-
334 chinery, boilers, and engines, and laying of water and sewerage pipes in connection with the Louisiana Sugar Refinery Company's works.

Be it ordained, That permission be, and is hereby, granted to the Louisiana Sugar Refining Company to erect all necessary machinery, boilers, and engines in their factory, in course of construction, in the square bounded by Front, Clay, Bienville, and Custom-House streets, and to lay water and sewerage pipes from said factory to the Mississippi river according to lines and grades for same to be furnished by the city surveyor, provided that all excavations and streets, crossings, pavings, etc., broken up shall be replaced, repaired, and relaid to the entire satisfaction of the commissioner of public works, revocable at the pleasure of the council.

Adopted by the council of the city of New Orleans 13th March, 1883.

M. McNAMARA,
Clerk of Council.

Approved 15th March, 1883.

W. J. BEHAN, *Mayor.*

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, 1887.

A true copy of ordinance No. 187, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.]

E. L. BOWER,
Chief Clerk.

335 MAYORALTY OF NEW ORLEANS,
CITY HALL, *July* 18, 1882.

(No. 7952, administration series.)

Resolved, That permission be, and is hereby, granted Geo. L. Bright to lay a water pipe under the shell road from New Canal to

Oakland park, under the direction of the city surveyor and administrator of improvements.

Adopted by the council of the city of New Orleans July 18, 1882.

Yeas—Delamore, Fagan, Fitzpatrick, Huger, Walshe.

Absent—Guillotte, Mealey.

JOS. A. SHAKSPEARE, *Mayor.*

A true copy.

M. McNAMARA, *Secretary.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

A true copy of resolution No. 7952, administration series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

[SEAL.]

MAYORALTY OF NEW ORLEANS,
CITY HALL, 1*st September*, 1883.

(No. 419, council series.)

336 Whereas a great source of complaint is the flowing of most offensive fluids in the gutters of Julia street, discharged from the oil factory of Maginnis & Bros. and Thomson's refinery, on Commerce, between Julia and St. Joseph streets, the same being pronounced as not only offensive, but unhealthy, as well as acting as an obstruction to the proper drainage of the section through which the same flows:

Therefore, be it resolved, That Messrs. Maginnis & Brothers and owners of Thomson's refinery be, and they are hereby, directed to lay suitable pipes to carry off all refuse matter to the river from their said factories, to wit: Maginnis & Bros., from their factory on Julia street, and the proprietors of Thomson's refinery, from their said factory on Commerce street to Julia street, thence to the Mississippi river; said pipes to be laid within sixty days from the passage of this ordinance, and the work to be done under the joint direction of the commissioner of public works and city surveyor.

SEC. 2. Resolved further, That in default of work being completed within sixty days from the passage thereof, said parties be proceeded against according to law, and any violations of the provisions of this ordinance be punishable by a fine of not less than $25 for each and every day they are in contravention, and imprisonment for not less than thirty days.

Adopted by the council of the city of New Orleans 28th August, 1883.

M. McNAMARA,
Clerk of Council.

337 Approved 1st September, 1883.

W. J. BEHAN, *Mayor.*

A true copy.

C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April 26*, '87.

A true copy of resolution No. 419, council series, adopted by the council of the city of New Orleans, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *24th April*, 1884.

(No. 679, council series.)

An ordinance granting permission to the firm of Ernst & Co. and John Foerster to construct and maintain water supply pipe from their rice mills to the Mississippi river.

1. Be it ordained by the council of the city of New Orleans, That Messrs. Ernst & Co. and John Foerster be, and they are hereby, permitted to construct and maintain a water supply pipe from their mills to the Mississippi river, provided said Ernst & Co. and John Foerster shall do all the work connected therewith, including
338 the replacing of the streets, stones, and paving, under the direction and to the entire satisfaction of the city surveyor and the commissioner of public works of the city of New Orleans; and provided, further, that the said Ernst & Co. and John Foerster shall execute and sign a notarial contract, with good and solvent security in the sum of five thousand ($5,000) dollars, conditioned that they shall properly restore the streets and crossings through which said pipe may pass.

2. Be it further ordained, That this ordinance shall take effect from and after its passage.

Adopted by the council of the city of New Orleans April 15, 1884.

M. McNAMARA,
Clerk of Council.

Approved 18th April, 1884.

W. J. BEHAN, *Mayor.*

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of ordinance No. 679, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

E. L. BOWER,
Chief Clerk.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *22d March*, 1884.

No. 628, council series.

339 An ordinance granting permission to the Southern Brewing Company to construct and maintain a water supply pipe from its brewery to the Mississippi river.

Be it ordained by the council of the city of New Orleans, That the Southern Brewing Company be, and it is hereby, permitted to construct and maintain a water supply pipe from its brewery through Toulouse street to the Mississippi river, provided said Southern Brewing Company shall do all the work connected therewith, including the replacing of the streets, stones, and paving, under the direction and to the entire satisfaction of the city surveyor and the commissioner of public works of the city of New Orleans; and provided, further, that said Southern Brewing Company shall execute and sign a notarial contract, with good and solvent security in the sum of five thousand ($5,000) dollars, conditioned that it shall properly restore the streets and crossings through which said pipe may pass.

Be it further ordained that this ordinance shall take effect from and after its passage.

Adopted by the council of the city of New Orleans 18th March, 1884.

M. McNAMARA,
Clerk of Council.

Approved 21st March, 1884.

W. J. BEHAN, *Mayor.*

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of ordinance No. 628, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.]

E. L. BOWER,
Chief Clerk.

340 MAYORALTY OF NEW ORLEANS,
CITY HALL, *19th January*, 1884.

(No. 549, council series.)

Resolved, That permission be, and is hereby, granted to Louis Ruch to lay a four-inch iron pipe from his mills to the river for the purpose of supplying said mills with the amount of water requisite to run the same.

This privilege revocable at the pleasure of the council, and said work to be done under the supervision of the city surveyor and commissioner of public works.

Adopted by the council of the city of New Orleans January 15, 1884.

M. McNAMARA,
Clerk of Council.

Approved 18th January, 1884.

M. D. LAGAN,
Mayor pro Tem.

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of resolution No. 549, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.] E. L. BOWER,
Chief Clerk.

341 MAYORALTY OF NEW ORLEANS,
CITY HALL, *November* 16, 1882.

(No. 8148, administration series.)

Be it ordained by common council of the city of New Orleans that Robert E. Rivers or the lessee of the St. Charles Hotel, of the city of New Orleans, be allowed the right of way and privilege to lay a water pipe from the Mississippi river at any point opposite to the head of Common or Gravier street through either of those streets to said hotel, its fronts, and said streets, with all needed attachments and appurtenances, and to distribute said water through said hotel as said R. E. Rivers or lessee may desire from said pipes; the pipes to be put at a depth of three feet under the surface of the said streets, to be of iron, and of not more than — inches in diameter.

Be it ordained that the said pipe and all attachments thereto in said streets be arranged and placed under the supervision and approval of the city surveyor; the pavements and streets to be relaid to the satisfaction of the administrator of improvements and city surveyor.

Adopted by the council of the city of New Orleans November 15, 1882.

Yeas—Fitzpatrick, Fagan, Mealey, and Walshe.

JOS. A. SHAKSPEARE, *Mayor.*

A true copy.
M. McNAMARA, *Secretary.*

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 27, '87.

342 A true copy of ordinance No. 8148, administration series, adopted by the council of the city of New Orleans, approved by the mayor, and duly promulgated in the official journal.

[SEAL.] E. L. BOWER,
Chief Clerk.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *8th August*, 1884.

(No. 809, council series.)

Resolved, That permission be, and is hereby, granted to Mrs. W. W. Carre to lay a four-inch pipe from her premises, 342 Delord street, to the new basin; this privilege revocable at the pleasure of the council.

Adopted by the council of the city of New Orleans August 5, 1884.

M. McNAMARA,
Clerk of Council.

Approved August 8th, 1884.
D. M. KILPATRICK,
Mayor pro Tem.

A true copy.
E. L. BOWER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, '87.

A true copy of resolution No. 809, council series, adopted by the council, approved by the mayor *pro tem.*, and duly promulgated in the official journal.

[SEAL.] E. L. BOWER,
Chief Clerk.

343 MAYORALTY OF NEW ORLEANS,
CITY HALL, 21*st Dec.*, 1882.

(No. 28, council series.)

Resolved, That permission be granted A. W. Moffett the right to lay a one and a half (1½) inch pipe from his mill to the new canal, for the purpose of supplying his boilers.

Adopted by the council of the city of New Orleans 19th December, 1882.

W. J. BEHAN, *Mayor.*

M. McNAMARA,
Clerk of Council.

A true copy.
C. L. WALKER,
Secretary to the Mayor.

MAYORALTY OF NEW ORLEANS,
CITY HALL, *April* 23, 1887.

A true copy of resolution No. 28, council series, adopted by the council, approved by the mayor, and duly promulgated in the official journal.

[SEAL.] E. L. BOWER,
Chief Clerk.

344 *Defendant's Offerings.*

Testimony of J. P. Cotaya and Peter Blaise. Filed June 25, 1887.

United States Circuit Court, Eastern District of Louisiana.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING CO. } No. 11351.

Testimony taken on behalf of the defendant under the 67th rule, as amended, of courts of equity of the United States, before Edward R. Hunt, special examiner, duly appointed and qualified to take and return the depositions of witnesses in the above-entitled cause, at New Orleans, this 19 May, 1887.

Present: Alfred Goldthwaite, Esqr., solicitor for defendant.
J. R. Beckwith, Esqr., solicitor for complainant.

Mr. Goldthwaite, solicitor for defendant, offers in evidence the ordinance of the city of New Orleans, No. 909, council series, to carry out the provisions of the act of the Legislature, No. 156 of the acts of 1884, providing for the future water supply from the New Orleans Water Works Company to the city of New Orleans and certain institutions, and regulating the use of water and the payment therefor, marked Exhibit "A," and the certificate con-
345 nected therewith of A. L. Bowers, chief clerk, dated July 30, 1886.

He also offers a certified copy of the contract between the city of New Orleans and the New Orleans Water Works Company, passed before Joseph D. Taylor, notary public, on October 3, 1884, marked Exhibit "B."

Also a certified copy of the contract and bond of the Southern Brewing Company made with the city of New Orleans, passed before Joseph D. Taylor, notary public, on May 7, 1884, said contract containing the ordinance No. 628, council series, adopted by the council of the city of New Orleans on March 18, 1884, and marked Exhibit "C."

J. P. COTAYA, a witness produced, sworn, and examined for defendant, says:

By Mr. GOLDTHWAITE:

Q. What is your occupation?
A. I am chief engineer of the Southern Brewing Co.
Q. How long have you occupied that position?
A. From the first start of the company.
Q. When was that?
A. That was in December, four years ago—September, 1882.
Q. What duties devolve upon you in your position of chief engineer with respect to the water supply of the brewery?
A. My chief duty is that of looking after the steam, to make

beer, and to wash the barrels, etc.; to see that there is water supply there furnished by the engineers under my charge and
346 myself.

Q. From what source did you get the water when you started the brewery in September, 1882?

A. From the city water works.

Q. How did you find the supply of water from the city water works?

Mr. Beckwith, for complainant, objects to the inquiry as immaterial and irrelevant to any matter at issue.

A. The water supply at times was inadequate, or not half what we required.

Q. How long did you use the water supply from the water works company?

A. I don't know the length of time. I suppose fifteen or eighteen months. I don't know exactly; but 15 or 18 months from the beginning.

Q. Did that inadequacy of supply extend over the eighteen months?

A. Well, at the eighteen months we had to receive our supply of water from the river. Before that we could not get water enough at our well; we had to do all the pumping of our water because we could not get water enough from them. We had to pump day and night to get water for the brewery. At night and on Sundays at that time the water was very weak, having no head, and we had to take our water from the tank.

Q. Was there any reason for changing from the supply of water that you got from the city water works to getting the water through your own pipe from the river?

347 Mr. Beckwith objects as irrelevant and immaterial to any issue.

A. Yes, sir.

Q. What was the reason?

A. The reason was that we did not get water as we wanted it; second, that the water was very dirty at times by flushing out their plugs, etc. We had to pump our own water from the water works as we do now so as to get it up and store it for use when required.

Q. You say you pumped the water through your own pump?

A. Yes, sir; we had the water to run into the tank, then pump it up and store it for use when we wanted it.

Q. Was that machinery your own machinery?

A. Yes, sir.

Q. Could you get along without it?

A. No, sir; we could not. We would not have been able to do without it.

Q. What was the effect upon your supply of water from the water works Co. when a fire occurred?

A. Well, in one instance, I can say, that of the Solari fire, we did

not have half the supply that we generally had—not half. That is the only instance that I can remember.

Q. Was that a large fire?

A. Yes, sir; and it seemed that fire had connection with the plug that we were connected with.

Q. Was the difficulty such a difficulty as was likely to occur when another fire occurred?

348 A. Well, I suppose so. I don't know on what lines the pipe may lead. If the pipes might lead ahead of us and a fire to occur the engines ahead of us would draw the water clear from me, and then surely I would be out of water.

Q. To what extent would it interfere with the operations of the brewery?

A. Well, that is hard to say. It might cause a stoppage. If we were in the train of making a mash of beer and we did not get the water required we would lose the beer.

Q. How do you run that brewery, continuously, or do you stop off?

A. Continuously.

Q. Every day in the week?

A. Every day in the week, night and Sundays.

Q. Was there any difference in the supply of water furnished you on week days from what it was on Sundays?

A. Yes, sir.

Q. To what extent would the difference amount to?

A. Well, the difference might be about one-third less pressure. I never measured it, but that is approximate.

Q. Do you know what that is due to?

A. As much as I can understand, it is due to the machinery stopping at night and taking the water from the reservoir instead of from the column.

Q. What proportion did the supply of water furnished by the water works Co. bear to the supply which you needed when in operation to its full extent—that is, when the water works

349 Co. operated to its full extent?

A. Well, it done us because we made it do. We could use one-third more water at that time when the brewery was young, but now the same supply would not begin to help us out.

Q. With your present capacity for manufacturing beer and the supply of water which you need, how much of a disproportion would there be in the supply of water the water works Co. furnished you or could furnish you?

A. I do not properly understand your question.

Q. Is there any disproportion in the supply that they are able to furnish you and the supply you could use with your present facilities?

A. With the pipes that we had at that time, but with the pipes that they are now laying—I don't know. Our supply from their main at that time would not supply us one-half—that is, with the pipes that we had at that time.

Q. Are there any other pipes now?

A. Yes, sir; they have laid a much larger pipe. I don't believe we could get that pipe at that time.

Q. What is the machinery which you had to put in to aid you in getting water from the water-works mains?

A. We got a duplex three-by-two discharge pump. We were not directly connected with the section of the main. We took the water as it came out of their mains and then repump it.

Q. Did you have to store the water?

A. Yes, sir.

Q. Why did you store it?

350 A. Because when I wanted it I never could get one-fifth or one-sixth sometimes if I did not have it stored.

Q. Did you have to go to any expense to store it?

Mr. Beckwith objects.

A. Well, we went to the expense of a couple of cisterns. We had them for that.

Q. With your own pipe leading to the river did you have any difficulty in supplying yourself with all the water that was necessary?

A. No, sir.

Q. What is the character of the water that is furnished by the water works company?

A. The character of the river water is very dirty.

Q. Could you use it in the condition you get it from the water works company?

A. Yes, sir.

Q. For what purpose?

A. Well, we are not making steam directly with it now, but at that time we had made steam, making beer and washing the kegs. Now we are using $\frac{2}{3}$ of the well water that we have there for our steam purposes and condenser.

Q. Could you use the river water without a condenser?

A. Yes, sir.

Q. As it comes from the water-works mains?

A. Yes, sir; we use it.

Q. Did it have to undergo any process of distillation or

351 cooking or condensing?

A. No, sir; only we cooked it and got all the dirt out before the beer was made. That is the only time; but for the boilers or for the condensers we did not cook it; we used it as it was.

Q. You could not use it for making beer without first cooking it?

A. Well, we did that for the purpose of killing all the animal matter in the dirt.

Q. How about washing the bottles?

A. For washing the bottles we could not use it; we are using the artesian well water.

Q. Why could you not use it?

A. Because it leaves dirt in the bottles.

Q. In using the river water do you use it directly from the pipe or do you use it after being stored?

A. After being stored.

Q. What is the effect of storing water?

A. Well, first we have a supply on hand; and, second, it precipitates or allays a great deal of the dirt before it comes down to the main pipe. I pump it directly into the reservoir, and from there draw it off to the different compartments and distribute it.

Q. Could you use that water for the purpose that you do use it as it comes from the pipe without storing it?

352 A. Not very well, on account of the machinery being put up for that purpose. For my part I could do it if I had larger machinery and another pipe, but we store it. We do not use the water constantly at a great rush.

Q. I speak with reference to the quality of the water, more.

A. Yes, sir; it could be used. We always boil it for making beer. Whether it is stored or not, it has to be boiled for making beer.

Q. Was there any difference between the water which you got through your own pipe, when you had pipes, and the water which you got through the pipes of the water works company?

A. Not that I could see any. It may be a degree or so cooler in temperature in the summer time.

Q. How with reference to the color or muddiness of the water?

A. I don't think there is any difference between the two, only where the water works company flush their plugs two or three times a month, and if we are not aware of their flushing the plugs we get all the dirt down there. Sometimes we had to stop our machinery and wait a half an hour until the water got clear again.

Q. How often do you say this occurred?

A. I don't know exactly. I could say about twice a month or once. I don't know now. I did not pay particular attention to that.

Q. Do you say you had to stop the brewery?

A. No, sir; I just stopped the running supply from the water works. I stopped their *surface* pipe after being notified
353 about it by the men.

Q. What would be the effect if you did not stop the supply and having that muddy water discharged?

A. Well, if I happened to be short of water and had that water in my reservoir and pump it into the boilers I would have to have a great deal of dirt to clean and the tanks be full of mud.

Q. Have you ever considered that water with reference to its goodness or wholesomeness in the manufacture of beer? I mean pure water, as you get it from the river.

A. No, sir; I have not found any difference in them, any more than the artesian well that we have. It is far superior for my boilers than it is.

Q. Do you know of such things as fire-wells furnished by the water works Co. to the city of New Orleans?

A. I do.

Q. What is the effect upon the brewery of having these fire-wells opened?

A. Well, I never paid particular attention to them, only in one case, when the Solari fire was. I was on duty at that time. I was on duty at that time on the place. I was not far, as I am a fireman myself. I never felt it at the brewery. The water supply barely ran for half an hour or so. I noticed it. I was watching, myself, at that time.

Q. How far is that brewery from the river?

A. Well, the length of the pipe is 4,735 feet.

354 Q. The pipe which you laid to the river, does it run straight or not?

A. No, sir; there are nine elbows to it before it gets to the river.

Q. I mean through the streets of New Orleans.

A. No, sir; not direct, because it goes round the basin, coming round half a block and turning straight again.

Q. For what purpose do you use the water out of that?

A. Just for the brewery supply, making the beer and partly to feed my boilers. If my wells do not give me water I have to furnish my boilers and also my condenser.

Q. Do you furnish water to other people at all?

A. No, sir; except any one that comes along and wants a drink, but for our own building purposes we do.

Q. And I suppose your own domestic manufacturing purposes?

A. Yes, sir; our own manufacturing purposes.

Q. You say you have your own pumps and machinery to pump the water up into the upper story?

A. Yes, sir.

Q. Why do you have these pumps to pump the water into the upper story?

A. Well, when the water works supplied us with water we had to pump it up there because their water supply was not enough for us; and now we pump it up and keep it there when we get it from the river.

Q. Do you know anything about the machinery of the water works?

355 A. No, sir.

Q. Have you any information or knowledge which would enable you to say whether there is such machinery in the water works as would enable you to put the water in the upper stories of the brewery?

A. That is something I cannot answer. I don't know. I have not influence enough with the water works Co. to say that.

Q. Can you tell us at what cost the pump and machinery to put the water in the upper story of the brewery were placed in the brewery?

A. At what cost were the pipes and mains?

Q. No; your pumps not connected with the pipes; just your pumps that you have to connect with the mains of the water works Co.

A. You mean now?

Q. Yes.

A. The pumps that we have at present that are in the water works supply cost $1,100 or so.

Q. You have testified, I believe, that these pumps were essential to get the water up into the brewery?

A. Yes, sir.

Q. In using this river water in the manufacture of beer and in washing bottles you say that you have to cook it or distill it?

A. We cook the water to make the beer and use it for bottle washing.

356 Q. Suppose you had clear, pure water, would you have to cook it for the manufacture of beer?

A. I cannot answer that. The foreman may answer that. It is out of my branch.

Mr. Beckwith, solicitor for complainant, objected to all of the testimony of this witness relating to the supply of water, its quantity and quality, and to all the deposition—interrogatories and answers—relating to the sufficiency of the supply as immaterial and not relating to or tending to prove any issue in this case.

Cross-examined.

By Mr. BECKWITH:

Q. Just when, giving the best of your recollection, were the artesian wells sunk or driven on the premises of the Southern brewery?

A. When were they driven?

Q. Yes.

A. That is hard for me to tell exactly; about two years ago.

Q. Was it before or after the laying of the pipe to the river?

A. I believe it was after the laying of the pipe to the river.

Q. How many of these wells are there on the premises?

A. We had driven wells from the beginning of the brewery on the premises. We had seven of them, but they did not furnish us water enough at that time, and we sunk 2 four-hundred-feet wells.

357 Q. Were the 2 four-hundred-feet wells driven or sunk before you laid the pipe to the river or afterwards?

A. Well, really, I could not tell that exactly.

Q. What was the total daily capacity for producing water of the wells, aside from the 2 four-hundred-feet wells?

A. You mean the additional capacity that we required from the water works?

Q. I ask you the capacity of the wells themselves.

A. About seventy gallons a minute.

Q. Of all the wells or one of them?

A. Of the two large wells. The others were 25 gallons a minute, the seven of them.

Q. I ask you about the wells prior to the sinking of the two large wells.

A. Twenty-five gallons.

Q. What was the capacity of the two large wells?

A. The two large wells, about seventy gallons.
Q. An hour?
A. Yes, sir.
Q. The others were twenty-five gallons an hour?
A. The others were twenty-five gallons an hour.
Q. That was ninety-five gallons?
A. These wells were abandoned. After these seven were abandoned or given up we drove these two.
Q. How long were the seven wells used?
A. About one year.
358 Q. From the commencement of the brewery?
A. Yes, sir.
Q. Has the product of the water in the two large wells been constant?
—. ——.
Q. What is that used for?
A. We are using it now for our condensers—for cooling in the beer—and after the condensers I used it for my boilers.
Q. How high does that water flow above the top of the wells?
A. It flows about a foot and a half from the surface. We pump it. It does not flow very high by itself, and we pump it.
Q. Do the wells flow above the surface?
A. Yes, sir.
Q. Are your pumps attached to the wells?
A. Yes, sir.
Q. Do the pumps increase the yield of the natural flow?
A. Yes, sir.
Q. What is their yield by pumping?
A. Fifty or fifty-five gallons.
Q. To each well?
A. No, sir; both wells.
Q. I understood you to say the two wells were above that.
A. You said the increase. I said the increase was fifty-five. I had to pump seventy, and you asked me if it flowed over the surface, and I said yes, but not seventy gallons. They force seven or eight gallons by themselves.
Q. Then I understand you the total product of these two large wells, instead of being seventy gallons an hour, is about fifty?
359 A. No, sir; their product is between 65 and 70; we pump them to get 70 gallons.
Q. What size connection, if any, do you have with the mains of the water works company when you had the water from the water works company prior to laying your pipe?
A. We had a one inch and we had a two inch.
Q. Were both put in together?
A. I don't think they were; no, sir; the two inch was put in later.
Q. Do you know if any application was made to the water works Co. for an increased size of pipe service?
A. I do not.

Q. How high is your upper story from the ground floor; the story to which you say the water is pumped?

A. I suppose it is about sixty feet or sixty-five; between 60 and 65 feet.

Q. Part of the equipment of the brewery is a large tank for the purpose of storing water for distribution?

A. We have cistern tanks; four of them.

Q. That is part of the equipment of the brewery?

A. Yes, sir.

Q. And it is a necessary part?

A. Yes, sir.

Q. Did you ever have your pump, during the time that you took water from the water works Co. and prior to your laying the pipe, connected with the mains of the company?

360 A. No, sir.

Q. Why not?

A. I do not know. I suppose we were not allowed to. I surmise that. I am not positive.

Q. Did you ever feed your boilers from the mains?

A. No, sir.

Q. Never from the start?

A. No, sir; it was taken from our tanks.

Q. Do you not know it to be a fact that all the engines that are run in town have their feed-pumps connected directly with the mains?

A. There are a great many of them; yes, sir.

Q. It is the usual course?

A. That I don't know. I never worked any place else but at the Southern brewery, where we were connected with the water works before.

Q. The tank that you run the water into first from the water works was on the ground floor?

A. Yes, sir; a small tank on the lower floor.

Q. What is the size of that tank?

A. About four hundred gallons.

Q. It is the same tank that you used to pump into when you pumped from your own pipe?

A. No, sir; when I pumped from our own pipe I pumped directly from our reservoir upstairs.

Q. Using the same pumps?

A. No, sir; much larger pumps. We have two now.

361 Q. What was the size of the pump that you used for sending the water up to the upper story before you laid your own pipe?

A. Four by six before.

Q. Single?

A. Double—a duplex pump.

Q. Then the pump had two pump barrels, four by six?

A. Yes, sir; a duplex pump.

Q. What do you mean—with a piston motion of six inches?

A. Yes, sir; six-inch stroke and four inches diameter.

Q. Why was not that pump connected directly with the water-works mains?

A. I don't know.

Q. There was no trouble in doing it?

A. No, sir; none at all if I was allowed to do it.

Q. Do you suppose that your pump would have pumped the main dry?

A. No, sir.

Q. Did you assist or were you in any way connected with laying the pipe that was laid from your brewery to the river?

A. Yes, sir; I assisted.

Q. Do you know where it is laid?

A. Yes, sir.

Q. Through what streets does it reach the river?

A. It comes down Toulouse street as far as basin; then turns round the basin—a curve—and comes back to Toulouse street; down to Villere, up Villere to the center of the block, where
362 my pumps are located, and then into the building.

Q. Does it reach the river on a line of what would be a continuation of Toulouse street if it extended to the river?

A. Yes, sir.

Q. How far does it project into the river?

A. Well, about eighteen feet.

Q. It is how far from the surface at average water?

A. About eighteen feet. I don't remember exactly.

Q. About how far is it from the in-take end of *the* that pipe up to Custom-House street?

A. I cannot tell you that.

Q. Well, approximate it, as near as you can.

A. About 900 feet, I suppose.

Q. Custom-House street is upstream from your pipe?

A. Yes, sir.

Q. About how much further is it to the point where Common street would touch the river if extended?

A. About 1,500 feet, I suppose.

Q. It is about the upper line of Canal street?

A. Well, you are about as well versed about that as I am. I cannot tell you exactly about that.

Q. It is not as far from where Custom-House street is, if extended would strike the river, as it is from Custom-House street to your pipe?

A. I suppose it would be about the same distance.

Q. Now, were you aware when you laid that pipe that
363 through Custom-House street was a main discharging tons of the *foeted* matter from the custom-house and from the Charity Hospital?

A. No, sir; not prior to laying the pipe.

Q. Were you not aware that on the prolongation of Common street to the river is a route on which the sewage passes carrying along the *foeted* matter from the St. Charles Hotel and the City Hotel to reach the river?

A. No, sir.

Q. You did not know anything about it?

A. No, sir; not at that time.

Q. When did you find it out?

A. We found it out afterwards through talk.

Q. Both are a very short distance upstream from your pipe?

A. Yes, sir.

Q. Now, what is the total consumption or what was the total consumption of water in the Southern brewery *per diem* prior to the laying down of this pipe to the river and while you were taking water from the water works company?

A. That would be a very hard matter to tell. I suppose in the neighborhood of 50,000 gallons a day at that time.

Q. What was the average production or output of beer per day at that time?

A. I would have to refer to the books; I don't know anything about that.

Q. Have you no sort of an idea?

A. We would make about 100 barrels of beer a day in the
364 first beginning.

Q. How much had it run up to at the time you laid your pipe?

A. I cannot very well answer that question.

Q. Well, but you could say that the water works company could not furnish you water enough?

A. Yes, sir; I can say that.

Q. State why.

A. Because we were using more water than we could really get.

Q. Well, I come back again to ask you—you have fixed the size of the service pipe. I ask you now to tell me in illustration of that statement how much was your consumption of water per day for beer?

A. In making 100 barrels of beer I would use 6,000 gallons of water, but the water is used also for washing bottles, steam, etc.

Q. I ask you for the amount that went into the beer and you give me other details.

A. Well, that is a very hard thing to say. In making beer you have to allow all the water to make it. If you want to know how much water it would take to make that beer—boiling it—it would take from 5,000 to 6,000.

Q. I want you to tell me how much of the 100 barrels of the output of beer was water.

A. How much of it was water?

Q. Yes.

A. All of it is water.

365 Q. You then would have a hundred barrels of water a day?

A. Yes, sir.

Q. Incorporated in the beer. How many gallons does a barrel of beer hold?

A. Thirty-two gallons.

Q. Now, for what other purposes besides the water actually incorporated in the beer do you use water for in making that 100 barrels of beer?

A. Well, we had three boilers.

Q. You told us a short time ago that you took the water from the wells for them.

A. You are talking from the beginning of the brewery, if you please. I am giving you an illustration from the beginning of the brewery. These first seven wells we did not use for the boilers. They were for the condensers. It is only since we had the two large wells that we put it into the boilers from them.

Q. Now, will you tell us what your consumption of coal was for steam purposes during the day?

A. We were using over sixty barrels of coal a day.

Q. You used that for the evaporation of water alone?

A. Yes, sir; in the twenty-four hours.

Q. Your 100 barrels of beer relate to the 24-hour estimate?

A. Yes, sir.

Q. Then you evaporate the water that this amount of coal would evaporate?

366 A. Yes, sir.

Q. What else did you use?

A. We used water for our condensers in connection with these seven small wells that we had.

Q. Tell us what your condenser is.

A. The condenser is a large tank seven by fifteen feet and ten feet high, and as the ammonia passes through the pipes in the tank we cool it or liquify it.

Q. Then, if I understand you, the condensation relates to your cooling device?

A. Yes, sir; our ice-machine department.

Q. Is that a flow or spray?

A. A flow.

Q. Filling the tank full of water?

A. Yes, sir; filling it at the bottom, it overflows at the top.

Q. Pumped in?

A. From our reservoir.

Q. Through what size pipe?

A. Two-inch at that time.

Q. With a two-inch overflow?

A. Yes, sir.

Q. Where did that water go—to waste?

A. To waste.

Q. Then there was a delivery of water through a vertical two-inch pipe from the main, 65 feet high?

A. Regulated through small valves—distributing valves.

367 Q. What was the flow per hour or minute through that refrigerating tank?

A. About 100 gallons a minute, or 90—from 90 to 100 gallons a minute.

Q. Now, we have your water consumption. No use was made of that overflow?

A. No, sir.

Q. None of it was ever pumped into the boilers?

A. We are doing it now, and have been doing it this latter part, but not at that time.

Q. Was there any reason why it should not be saved, instead of running waste?

A. No, sir; none at all.

Q. What other water consumption is there in the manufacture of 100 barrels of beer?

A. The number of kegs to be washed and the place to be kept clean.

Q. All that is 100 casks or barrels?

A. 500 packages—small packages—to be washed at that time.

Q. There would be by packages what it would take to fill 100 barrels?

A. Yes, sir.

Q. How were they washed?

A. With a spray nozzle inserted into the bung-hole on the inside and a spray nozzle on the outside.

Q. That was connected with a rubber hose?

368 A. Yes, sir.

Q. Where was that pipe connected?

A. To the pipe leading from the upper reservoir.

Q. On the upper story?

A. Yes, sir.

Q What was the size of the pipe?

A. A two-inch pipe.

Q. Did you not take it out of the same pipe that went to the refrigerator?

A. No, sir; a branch off.

Q. What was the nozzle?

A. The nozzle has small rows of holes.

Q. That was screwed onto a half-inch pipe?

A. Yes, sir; a half-inch pipe.

Q. How much water was sprayed on a package?

A. Well, I presume about a gallon a package.

Q. That would be about 400 gallons used in washing?

A. Well, the outside takes about the same quantity, say about two and a half gallons to each package.

Q. What other consumption?

A. Well, there is a trough in the stable for the horses to drink.

Q. How many horses?

A. At that time I don't know exactly how many we had; about 30, I suppose—25 or 30 head.

Q. Do you know of any other consumption?

A. None except washing the place out once or twice a day,

369 and washing out the kettles.

Q. What do you estimate that consumption at?

A. At that time?

Q. Yes.

A. Well, I suppose about eight hundred gallons.

Q. Is the water allowed to run waste or the overflow in the trough or tank where you water your horses?

A. It is simply a skimming flow.

Q. Now, you say that you are very certain that a two-inch connection and a one-inch connection added to the water works would furnish you with water?

A. No, sir; not the way we are getting it, by its own pressure to flow.

Q. Do you know anything about the flow of water—its rate?

A. I am not so very well posted.

Q. State when and for how long the delivery was insufficient, setting aside extraneous occurrences like fires.

A. Well, during nights and Sundays.

Q. Did you have to run that duplex pump all the time?

A. It ran at night.

Q. Do you run it the 24 hours?

A. Well, not exactly the 24 hours; we stopped an hour or so when the tanks were full for packing or anything of that sort.

Q. How much of a proportion of the 24 hours did you run that pump?

A. About eighteen hours.

370 Q. At what number of strokes per minute?

A. Well, it varies a great deal.

Q. There must be an average; you ought to know the average that would supply your tanks.

A. Well, yes, sir; there is an average; the duplex, say about sixty (60).

Q. Then duplex pumps can be run as law as six?

A. Yes; six.

Q. I suppose the operations of your brewery have been suspended at times by reason of the want of water?

A. Yes, sir; we have been suspended, waiting for water to wash the kegs.

Q. How long have you been suspended?

A. 5, 10, 15, or 20 minutes.

Q. Was the whole beer-making stopped also?

A. No, sir.

Q. Do you know whether any application was made or representation of that sort was made to the water works—application for a larger service?

A. I don't know.

Q. Now, when you had connected your large pump with the new pipe to the river did you make any provision for the storage of water on the lower or ground floor?

A. No, sir.

Q. There was no occasion for it, I suppose?

A. No, sir.

371 Q. You forced directly into the tanks?

A. Yes, sir.

Q. The same tanks that you had prior to laying the pipes?
A. Yes, sir; with the addition of two.
Q. Two were added, I suppose, on account of the increased manufacture?
A. Yes, sir.
Q. Well, now, is it not indispensible in your instalments for making beer to have these tanks up there?
A. Yes, sir.
Q. Where did you take the water from for washing?
A. From these tanks.
Q. Where did you take the water from for the cattle or horses?
A. From the same tanks.
Q. You then used the system of storage tanks on the upper story of the brewery for distribution for all purposes?
A. Yes, sir.
Q. What sort of a pump did you connect on that pipe?
A. Our own pipe?
Q. Yes.
A. A Davidson plunger pump, eight by twelve.
Q. Double acting?
A. Yes, sir.
Q. How much of the time did you run that pump during the 24 hours?
A. Constantly.
372 Q. What did you do with the overflow, if any?
A. The overflow was allowed to waste.
Q. Through the waste pipe of the upper tanks?
A. Yes, sir.
Q. What overflow, if any, was that on an average?
A. I never paid particular attention to that.
Q. How many strokes a minute to the pump?
A. The pumps go about 25.
Q. That gave you a supply adequate to the increased output of the brewery, did it?
A. Yes, sir.
Q. How much did your output increase over the hundred barrels during the period before you laid the pipe?
A. I suppose we use three times the quantity of water now than we did before—twice and a half more than we used before.
Q. How many thousand gallons would you put it at per day or per hour?
A. I suppose 150,000 gallons.
Q. What was the size of the pipe that you laid to the river?
A. Eight-inch.
Q. Your pump, of course, was a suction pump?
A. Yes, sir.
Q. With a lift of how much, on an average, at the river?
A. I never solved it; but in the winter time I drew as high as 25 inches of vacuum.
Q. That is, you had to get 25 inches before the water started?
373 A. Yes, sir; 24 or 25 is my hardest pull.

Q. That is pretty near as perfect a vacuum as you can make with a pump?

A. No, sir.

Q. How much can you make?

A. I have made 27 with that pump, but not from the river. 25 or 26 is all I can get from the river.

Q. Have you got a condensing engine?

A. No, sir.

Q. Is not a 27 vacuum a pretty good vacuum for a condensing engine?

A. Yes, sir.

Q. That is usually better than is carried?

A. Yes, sir. The best ones carry 26 or 27.

Q. That made a main lift of how high in the column of water?

A. 13½ or 14 feet.

Q. What connection have you got with the water-works mains now?

A. I have got no connection yet, but I will have a four-inch suction; I have got it through the ground—a four-inch suction direct with their main.

Q. Do you know what the leading main is out there—the size of it?

A. I don't know; I believe 8 inches. I would not say, for I never paid attention.

Q. What pump do you propose to put on it?

A. Our same water-works pump.

374 Q. There is always the same head on the main, is there not?

A. Yes, sir.

Q. I don't suppose you expect to get a vacuum to prime your pump with?

A. Not in the winter time.

Q. Nor in the summer?

A. No, sir. I do not need a vacuum on my pumps now.

Q. Has your pipe a siphon on?

A. Yes, sir. Our own is eight-inch.

Q. I know, but I was asking you if you need a vacuum to prime your pump when connected with the water works.

A. No, sir. I stated that.

Q. Then I suppose at the stage of water your present pipe has a siphon?

A. Yes, sir.

Q. Will you tell us what the diameter of the suction-pipe connection on your large pump is?

A. Eight-inch.

Q. Was the pump contrived or constructed for an eight-inch connection?

A. Yes, sir.

Q. Was it made specially for that purpose?

A. Well, I beg your pardon; I think it is six-inch. I have got a four-inch suction.

Q. I am asking you now according to how that pump is constructed. They are constructed according to rules? These
375 standard pumps have a rule for the eduction or suction and delivery?

A. Yes, sir.

Q. What is the connection at the pump in diameter? You, of course, reduce it from an eight-inch pipe.

A. Yes, sir; I think six or eight; I am not positive.

Q. What is your delivery?

A. Four from the delivery pipe; I am positive of that.

Q. Why has the connection not been made with the main of the water works company?

A. I don't know.

Q. How long has that pipe to the river been in use actively by the brewery?

A. About two years and a half.

Q. Can you state approximately when it was first put in?

A. No, sir.

Q. And you have drawn through it since the time it started the water that your pump would draw at the number of revolutions that you have given?

A. Sometimes faster and sometimes slower.

Q. What is your average, I ask you. I want to know it.

A. About twenty-five or thirty strokes.

Q. You mean the double stroke?

A. No, sir; the single, regular pump strokes.

Q. A well-regulated pump stroke to deliver water at both ends would be equal to the revolutions of a fly-wheel, if you had it?

376 A. About fifteen of them.

Q. Then you do not mean the return of the piston back to the point where it started from?

A. I count each one a stroke.

Q. That is, the plunge of the piston from one end to the other?

A. Yes, sir.

Q. That would be two strokes to an ordinary revolution?

A. Yes, sir.

Q. Then if you had your pump connected with a fly-wheel you think it would be about fifteen revolutions?

A. Yes, sir.

Q. How much in excess of the water required for use in the brewery, taking a month, would that speed of the pump give you?

A. At 30 revolutions?

Q. Yes.

A. That would have to be figured out. I could not tell you off-hand.

Q. I do not want you to be definite about it, but you must, of course, have known about the amount of water.

A. We use on an average about 150,000 gallons a day, and it would be easy to see how much it would be by the month; I suppose one-tenth.

Q. 150,000 gallons of waste a day?

A. No, sir; not waste.

377 Q. I am asking you about the waste.

A. That is a hard thing to say. Some days there is no waste hardly at all and sometimes a great deal. It never has been watched close at all.

Q. When running that pump do you undertake to govern the pump by the amount of waste?

A. I can run the pump so there would be no waste.

Q. But I ask you what you saved in running the pump, or have you saved?

A. Yes, sir.

Q. How do you run that pump—by a separate battery of boilers?

A. No, sir.

Q. You take the steam from the general battery?

A. Yes, sir; the general battery—a manifold pipe. It branches off.

Q. What other pumps is that battery for?

A. Refining and cooking the water in making the beer.

Q. You cook the water, as you call it, by sending a jet of steam into it?

A. No, sir; we have two coils—radiations.

Q. Where di- you take the water from the coils—by a trap?

A. No, sir; not now.

Q. In a hot well?

A. No, sir; we have not any of them at all; we used to have a hot well at that time. Prior to using our pipes we had a hot

378 well. The pipes all went into the cistern, and I drew the water from there.

Q. What do you do now?

A. I waste it.

Q. Why did you not use that water for feed? It comes out with the same temperature in it.

A. Yes, sir; but we were always taking down things and building and could not attend to it.

Q. So you let it waste and used the cool water in the boilers?

A. No, sir; we have warm water there.

Q. I want to get at what machinery, aside from your pump, is propelled by your steam from your battery.

A. Well, I told you that—refining. The engines take steam and four or five pumps take steam. It takes steam to cook our water through the coils. We have coils to cook the beer with.

Q. Did you have engines to run the brewery?

A. Yes, sir; we have a small brewery engine.

Q. And your wells furnish water enough for your steam now?

A. Yes, sir; we are using the well water in connection with a small quantity of river water. I took my water from the condenser. When it is done carrying the ammonia off I feed from there.

Q. It is cooled when you send it into the refrigerator, is it not?

A. Yes, sir.

Q. Has there been any other fire or was there any other fire of

any magnitude on the line of the water-works mains leading
379 to the brewery except the Solari fire during the period that you were running the brewery, before laying the pipe?

A. I don't know of any.

Q. Do you remember of any large fires in that vicinity since?

A. No, sir; I never noticed any since.

Q. Have you ever been present at any of the fires in this city?

A. Yes, sir; I think I have.

Q. Do you know the methods taken by the fire department to get water—whether they get it from the mains or just let it slush into the gutter?

A. Yes, sir; I know all about it. They sometimes take it from the mains and sometimes from the gutters. On a single plug they screw on their nozzle. Sometimes, if there are three or four engines in a line drawing the water from the same plug, the fourth engine does not get as much as the near one.

Q. Is it not a common thing at a fire of any considerable size for the fire department to knock off the plugs in the vicinity to get at the water and let the rest go?

A. Yes, sir.

Q. About what proportion of the water that is run into the gutters in such a case is caught up by the engines?

A. It is very hard to say. I cannot answer that. It is according to what part of the town it is.

Q. Is there one-quarter of it utilized?

A. I don't know. I cannot answer that. I don't know where the fire is or how many engines are there.

380 Q. When the water is from the gutter do you ever see one-quarter of it taken up?

A. Well, I have seen it all taken up and it was not a supply, and I have seen it more than a supply.

Re-examined.

By Mr. GOLDTHWAITE:

Q. With reference to the use of water by the fire department here, is it or not a fact that they are very free in the use of water in extinguishing fires?

A. Yes, sir; they have been in my day. I don't know what they do now.

Q. Have you had any practical experience?

A. Yes, sir; I am an exempt fireman.

Q. How long were you a fireman?

A. A fireman seventeen years.

Q. Now, you say that where three or four engines are drawing water from the same main you have known the first engine to get all the water?

A. Yes, sir; to get more water than the last one. We used to fight for the first place when I went to a fire, to get the best side. That is ten years ago.

Q. With reference to the tanks for storing the water being part

of the brewery, if there was a full supply of water to be gotten directly from the mains would the tanks for storing the water be necessary?

381 A. If the head would be sufficient to throw the water to the upper story, they would not.

Q. It would be a part of the brewery?

A. Yes, sir; if the water-works supply had head enough to force the water up to the upper story we could dispense with our tanks.

Q. Then, the tanks for storing water are not indispensible for a brewery, are they?

A. They are not indispensible if the water reaches there, as I just remarked, but they are indispensible now.

Q. Is there any necessity for having the tanks at the height of sixty feet in a brewery?

A. Yes, sir; they are sixty feet or more. I don't know the distance, but it is required to be up in the upper story, so as to have the water going in all directions; water is used on all the stories.

Q. The reason for putting them in the upper stories is that you want to use the water in the whole brewery, and you want to have a level for the water above where you use it?

A. Yes, sir; that is the idea.

Q. You say your connection with the main was through a two-inch pipe and a one-inch pipe?

A. I had no connection with the main whatever. It was an open water-works pipe with a two-inch valve on the end. Two of them branch outside together—the one-inch and the two-inch.

Q. With what main did you connect?

A. With the water-works main on Villere street.

Q. Who ran the pipe out to the main?

382 A. The water works company.

Q. They supplied you with a two-inch pipe and a one-inch pipe?

A. Yes, sir.

Q. Was the water continually flowing through these pipes?

A. No, sir; about eighteen hours a day.

Q. Why are you not running the twenty-four hours?

A. Because we wanted the tank for other things. We had sometimes two hours to pump our beer. We had to put the beer in this tank, as we were short-handed at that time, starting the brewery.

Q. With the two-inch and the one-inch pipe, with reference to your present manufacture of beer, what would be the disproportion between the amount of water that you could get and the amount of water that you would need?

A. We would get about one-third of what we need.

Q. When these pipes were put there were they put there at the expense of the water works Co. or at the expense of the brewery? Who undertook to regulate the pipe there?

A. The water works company. I suppose we would have got a much larger pipe if we did. I don't suppose we could have got that, as they regulate that.

Q. Was there any complaint made to the water works company of the feebleness or the inadequacy of the supply of water?

A. I made all complaints to the head office of the brewery.

Q. Do you know of your own knowledge whether these complaints reached the water works company or not?

383 A. I don't know. I suppose they did, but I don't know.

Q. Who would have charge of that?

A. Our president, Mr. Blaise.

Q. Why did you put the artesian wells on the brewery?

A. To get clear, cool water for our ammonia condensers.

Q. Was there a matter of expense involved?

A. Yes, sir.

Q. How?

A. In fuel. The well water being cooler, we needed less condensing pressure, the river water being very warm in summer and the well water holding its temperature winter and summer alike, being 72 degrees Fah. in the summer.

Q. Was there any advantage in the clearness or purity of the artesian water over the river and well water?

A. In clearness it was, but in purity I don't know.

Q. Did the question of the supply of water have anything to do with the putting down of the artesian wells?

A. Yes, sir; it helped me considerably in my condensing department and in my boilers.

Q. But could you have gotten along without the artesian wells, with the supply of water furnished by the water works company?

A. I should not have these wells at that time. I don't know when these two wells were put down—whether it was after our water works were put down or after it was completed.

384 Recross-examined.

By Mr. Beckwith:

Q. In running the brewery with a sixty-feet head, the brewery equipped with these tanks, you would heat the water, or cook it, as you call it, for the purpose of making the beer. That portion of the water that goes into the beer you would cut off in the main?

A. I would not.

Q. How could you heat it otherwise?

A. Because we have heating tanks for that purpose.

Q. Then the heating tanks on the floor overhead are necessary?

A. Yes, sir; we have tanks, too, for holding the beer and making mash; the beer kettle is a tank. But the water in the reservoir is not what we cook our beer in; that is called the hot-water tank.

Q. Did you ever see or hear of a brewery without distribution tanks on top?

A. I never paid particular attention to them.

Q. Did you ever know of a brewery without a distribution tank on the top?

A. I don't know. I never worked in any other brewery except this one.

Q. Do you not know that in a brewery it is necessary to distribute water in various directions at the same time?

A. Yes, sir.

Q. Is not a receiving tank rather necessary for that purpose?

385 A. Well, it would be a great help to have one, but if you had a great head of water it would run through the upper stories and the tank would be down here; but, as you say, it is preferable to have a distribution tank.

Q. Do you know of any way of distributing a uniform quantity of water in various directions from a stand-pipe or main sixty feet from any reservoir or ditch that the water had made?

A. By having a stand-pipe and head enough and pressure to force it high enough. You can have branches in every portion of the building you chose to.

Q. You do not mean to say that that could be done on a stand-pipe of only sixty-feet pressure?

A. No, sir.

Q. How much more than sixty feet would you require to get a distributing pressure?

A. We would not require a very strong pressure at the top because we have the water there.

Q. But if the water was in a static condition of sixty feet the flow would not be a great deal?

A. Well, there is sixty feet, as we take it four feet below the tank. If I took it four feet below the column I would have it.

Q. Then you would want to have a 64-foot column?

A. Yes, sir.

Q. Would not that give it, then?

A. Well, I don't know. It may be so by theory.

386 Adjourned to Friday, May 20th, 1887, at 3 o'clock p. m. Signature to deposition waived.

NEW ORLEANS, *May* 20, 1887.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING CO.

Testimony resumed on behalf of the defendant this day at 3 o'clock p. m.

Present: Alfred Goldthwaite, Esqr., solicitor for defendant.
J. R. Beckwith, Esqr., solicitor for complainant.

Mr. Goldthwaite, for defendant, offers in evidence a copy of the contract between the city of New Orleans and the New Orleans Water Works Company, passed before Joseph D. Taylor, notary public, on Oct. 3, 1884, marked Exhibit "G."

Also a certified copy of extracts from the minutes of a special meeting of the board of directors of the New Orleans Water Works Co. held at the city of New Orleans, in the office of said company, on the 27th day of September, 1884, together with the certifi-

cate annexed thereto of J. D. Taylor, notary public, dated New Orleans, May 19, 1887, marked H.

387 Also a copy of a notice of the intention to apply to the General Assembly for an act or law to regulate the use by the people of municipalities, of political corporations, for public and other purposes, signed by the New Orleans Water Works Co. and published in the Daily States newspaper for a period of thirty days consecutively, beginning on the 30th April, 1884, together with the affidavit of S. S. Gregory, cashier of the Daily States newspaper, dated May 19, 1887, marked "J."

To the introduction of the document G complainant objected, as the same tends to establish or prove no issue or matter in controversy in this cause.

The same objection as to the document "H," purporting to be an extract from the minutes of the board of directors of the New Orleans Water Works Co.

As to document "J," that appears not to be an original nor an impress or print, nor does it appear to have been published, so far as any competent evidence connected with said document is concerned; and as to the affidavit annexed, that it is not in any respect competent proof of any of the matters set out in the affidavit or alleged in the offer of the document.

PETER BLAISE, a witness produced, sworn, and examined for defendant, says:

By Mr. GOLDTHWAITE:

Q. What is your occupation?

A. My occupation is a brewer.

388 Q. With what brewery are you connected?

A. The Southern brewery.

Q. What position do you hold?

A. President and superintendent.

Q. How long have you occupied these positions?

A. Four years.

Q. During your administration as president and superintendent have you used the water supplied by the New Orleans Water Works Co.?

A. Yes, sir; at the start.

Q. For how long?

A. About two years; not quite two years, but we had water for two years.

Q. During what years?

A. During 1883 and 1884.

Q. For what reason was the use of the water supplied by the water works Co. — by the board?

A. The time we had the trouble about the water I brought it before the board, and I told them that we had trouble with the water; some days we had no water and could not wash the barrels, and some days we had plenty of it.

Q. Was the water supply irregular?

A. Yes, sir.

Q. Was there any other complaint besides its irregularity?

Mr. Beckwith objects. All other objections to be reserved.

389 A. Yes, sir; there were.

Q. What other objections?

A. When they flushed the plugs the water was thick. They notified us, but we had to wait until afterwards to use it.

Q. How long would that suspension continue before you resumed the use of the water?

A. Well, it sometimes took ten, fifteen, or twenty minutes, and half an hour sometimes.

Q. How often did that occur?

A. I don't know; it may be once a month or twice a month, or three times. I don't know. I am sure it was every month, once at least.

Q. If you did not suspend the use of the water what would be the effect of their cleaning the pipes?

A. The effect of cleaning the pipes was to get the sand out of the pipes, and when they closed the plugs the water that came right after it was very muddy in our mains. Only, if we waited fifteen or twenty minutes or half an hour, the water would be all right again; it would settle in the pipe.

Q. Did you ever have any trouble with fires or from any other cause in the supply of water furnished to the brewery?

A. Yes, sir; so far as I got a report from my engineer. When the Solari fire was he reported it the next morning in the office.

Mr. Beckwith objects.

Q. What would be the effect of a large fire in New Orleans upon the supply of water furnished by the water works company?

390 A. Well, my opinion is, if they opened three or four plugs in our main where we are connected, we would have no water, for the engines put their nozzles in and suck the water out of the pipe. That has happened to me, out where I live, on Perdido street.

Q. Did you have any difficulty with reference to the slowness of the water in running?

A. Yes, sir.

Q. What difficulty did you have?

A. We got some days, at nights, and on Sundays; the water sometimes would not have force to run up fifteen or twenty feet; Sundays and in the night time.

Q. You experienced that difficulty at night also?

A. Yes, sir.

Q. Was it only occasional or was it every night?

A. Well, we did not use water every night.

Q. Whenever you did use it?

A. Yes, sir; sometimes.

Q. Did you feel it regularly on Sundays or only occasionally on Sundays?

A. Well, generally on Sunday we would. When we saw the water

had no pressure we put tanks up on the fourth story and then connected it from the upper story down to the lower story to get water up there.

Q. You say you put these tanks there because of the feeble supply you got from the New Orleans Water Works Co.?

391 A. Yes, sir.

Q. Would you have put the tanks there if you had an adequate supply?

A. No, sir; if the water was supplied up to the fourth story; if it had the power to go there.

Q. Did you incur expense?

A. Yes, sir; we incurred expense.

Q. For what?

A. We bought four wooden tanks, what we call cisterns and the reservoirs.

Q. What supply of water do these reservoirs hold?

A. I cannot tell exactly, but about 6,000 gallons.

Q. Each one?

A. No, sir; the whole of them.

Q. And your brewery is supplied from these tanks?

A. Yes, sir.

Q. Are you familiar with other breweries?

A. Well, I have been in the West, but not in New Orleans, except my own.

Q. Are these tanks indispensible to breweries?

A. Yes, sir; if you make them in proper shape—iron tanks.

Q. Are they indispensible to hold water to furnish a brewery?

A. They are indispensible.

Q. Could you get along without them if you had an adequate supply of water?

A. Yes, sir; we can do without them if the water works is

392 strong enough to go up to the fourth story; if you have a well, then you need no tank; you have water in your tanks that you can boil and do everything with.

Q. Do you have to keep a distributing tank?

A. No, sir.

Q. Through what size pipes do you draw the water from the water works company?

A. I believe an inch and a half—from the main, you mean?

Q. Yes; from the main.

A. We have got one pipe an inch and a half and one an inch. I believe we had three connections. I think—I am not sure—we took the old supply from the old brewery that Mr. Merz had.

Q. Did you ever make any complaint of the insufficiency of the supply of water?

A. Yes, sir.

Q. Did you get any redress or a larger supply?

A. I made a verbal complaint at the office, and they told me that they could not connect the pipe nor make a larger pipe than the main. That is the answer they gave me. At the same time when they made connection that was with the old pipe. They told the

men to take it up and make it all in one, and the old man said he could not do it; they could not make a three or four inch connection. He said that would do first rate.

Q. Has your brewery increased in capacity since you used
393 the water supply of the water works Co.?

A. No, sir; not at the time we had the New Orleans Water Works water; only since we got our own water from the river.

Q. It has increased since that time?

A. Yes, sir.

Q. With the present capacity of the brewery what could be the ability of the present water works Co. to supply you with water if it was the same supply as you had before your capacity was increased?

A. I don't believe they could furnish it with the same connection that they had before.

Q. Was the flow of water strong or feeble, or what was the character of the supply or flow?

A. From the main through our hose?

Q. Yes.

A. Well, sometimes a very good flow and sometimes very low—what you call no power.

Q. It failed?

A. Yes, sir; it had no pressure.

Q. Now, in the manufacture of beer and the use of water in that brewery do you require a regular and constant supply?

A. Yes, sir; not regular; so long as we have got the reservoir we generally keep that on hand until we are in need and then let it run into the tank and into the hot tank for the boiler.

Q. How often do you use these tanks? How long would
394 it take you to exhaust a tank?

A. I cannot tell you that. I never bothered myself about that. The brewer and the chief engineer have got to attend to all that.

Mr. Beckwith, solicitor for complainant, objects to the foregoing questions, that they are leading, and, as to all the questions and answers relating to the supply of water, they are all irrelevant and immaterial to any matter or question at issue in this case and not responsive to any issue therein.

Cross-examined.

By Mr. BECKWITH:

Q. Do you have anything to do with the manufacture of beer in the brewery directly, or are your duties executive duties, as president of the company?

A. Yes, sir; I am only superintendent of the brewery.

Q. Superintendent of the brewery?

A. Yes, sir; president and superintendent.

Q. Are you superintendent of the general business of the brewery or of the manufacture carried on?

A. No, sir; the manufacture is for the foreman.

Q. You do not superintend the manufacture, but you superintend the affairs and the business of the company?

A. Yes, sir.

Q. How long have you occupied that position?

A. I have occupied that position since 1882.

Q. Since the brewery started?

395 A. Yes, sir; I was acting at the time the brewery started. Mr. Auer was sick when we started the brewery, so I had the whole business on my hands. He was not in the city; he was at the Abita Springs.

Q. Precisely when did you make your first brewing?

A. I believe it was in January, 1883. I am not sure.

Q. What had the building you now occupy been used for prior to that time?

A. As a brewery.

Q. By whom?

A. By Merz.

Q. Was it being operated as a brewery when your company acquired it?

A. Yes, sir; everything was there.

Q. Who made application to the water works Co. for water and water connection with the brewery?

A. I believe Mr. Auer himself and the board.

Q. But the board did not go in a body to the water works Co.?

A. No, sir; but they passed by.

Q. Who went to the water works company?

A. Myself and Mr. Hoppe.

Q. How long was that before you commenced brewing as the Southern Brewing Co.?

A. You mean when we made the application?

Q. Yes.

A. I could not tell you that.

395½ Q. In what form was your application?

A. I cannot tell you that, neither.

Q. Was it in writing?

A. No, sir; I don't believe it was. I think it was verbal.

Q. Who made the representations as to the quantity of water that you wanted?

A. Well, I think Mr. Hoppe and myself.

Q. What representations did you make as to quantity?

A. I don't know, it is so long back. I forget that.

Q. Had you made any calculation as to the quantity of water that you wanted?

A. No, sir. I may have made it, but I don't know how much. At a new start you cannot make a calculation of the water you want. When we started we did not know whether it would be a success or a failure.

Q. But you had to make some calculation as to the amount of water you needed in order to designate the size of the connection, did you not?

A. No, sir; only in so far as I know, we spoke to Mr. Gardner; that is the only man I spoke to, and he said they would give us water enough; that is all I know.

Q. You never intimated to him whether your consumption would be ten gallons or ten thousand gallons a day?

A. No, sir; I cannot tell you that.

Q. You would think it would be good business to apply for water to the water works company without any statement as to the
396 amount you wanted to be delivered or any data upon which could be determined the size of the connection?

A. Well, I think Mr. Gardner has got the application of how much water we wanted. I think so. I am not sure. At the same time we were newly starting, and we might make 5,500 barrels of beer and afterwards could not sell it. We were in that way, and we did not know; still we had to pay for the water for a year.

Q. You were not particular, then, about notifying the water works Co. of the amount of water that you thought would be the daily consumption in that brewery?

A. No, sir; I could not tell.

Q. Who named or designated the size of the connection to be made?

A. Well, nobody named the size of the connection. The only thing that we named or spoke about was—he spoke about giving us an inch and a half or two inches water pipe.

Q. Then there was something said about it?

A. I don't know but that is what I said at the time they made the connection.

Q. That is, you said you wanted an inch and a half or two inches connection?

A. Yes, sir.

Q. What connection had there been as to size between the main and Merz brewery before you got it?

A. There was an inch pipe left. It was bent up, and I made a complaint to the old man that that would not do; they
397 ought to give us a proper connection, and he said he could not do it.

Q. What old man?

A. I believe it is the old man Forrest.

Q. You made no complaint excepting to this foreman?

A. I made no complaint except at that time, and then complained again after we used the water.

Q. What time did you make the complaint?

A. I don't know.

Q. To whom did you make it?

A. To Mr. Gardner, in his office.

Q. How long after the first connection was made?

A. I don't know.

Q. You don't know whether it was one or two years?

A. It might have been two years or one. I don't know.

Q. What did you say to him?

A. I told Mr. Gardner I would like to have regular water; that half the time we had no water. That is the remark I made to Mr.

Gardner. I would like a bigger connection—make the three pipes into one and we would get more water.

Q. What did he do?

A. He did not do it.

Q. Was that complaint in writing or was it verbal?

A. No, sir; not in writing; it was verbal.

Q. You were talking about three pipes. First you say there was an inch pipe there connected with the Merz brewery.

398 A. Yes, sir.

Q. Now, when did you get the other pipes?

A. The other pipes were put there by the water works Co.

Q. When?

A. At the time we went and called for water and connected all together.

Q. What pipe was that?

A. That was, I believe, an inch-and-a-half pipe.

Q. Then you had an inch pipe and an inch-and-a-half pipe?

A. Yes, sir.

Q. How long after you commenced brewing was it that you got the inch-and-a-half pipe?

A. At the time we started.

Q. You took the three pipes?

A. I believe it was three.

Q. When did you get the third pipe?

A. I believe that pipe was connected at the same time from Merz' brewery. There were two pipes from Merz' brewery; I only got one pipe, and we connected the three together.

Q. How far is it from the brewery to the street where the main is?

A. Well, it is about fifteen feet from the banquet.

Q. The pipe from the banquet in is your pipe?

A. Yes, sir; where the stop-cock started.

Q. That is your pipe?

A. Yes, sir; they are all ours—the pipes.

399 Q. It is your business to keep them in repair?

A. No, sir; the pipe from the water-works main belongs to the Southern brewery.

Q. From the main or from the cock?

A. No, sir; from the main. We had to pay for it.

Q. Are you certain of that?

A. Yes, sir; I am. We had to pay for it.

Q. What is the size of that pipe?

A. I say it is an inch and a half.

Q. Then I understand you to say there is only one inch-and-a-half pipe let into the main?

A. Yes, sir; that the water works put into the main at the time we started to take the water.

Q. Was that put in by the water works Co. or your company?

A. Put in by the water works Co., and the water works Co. charged it to us.

Q. Now come back to the two pipes that were in that brewery

when it was Merz' brewery. One, you said, was an inch. What was the other?

A. I don't know. I believe it is three.

Q. Is not one of the pipes a two-inch pipe?

A. I don't know.

Q. How much water did you use in the brewery, per day of 24 hours, up to the time that you laid down the pipe?

A. I cannot tell you that.

Q. Did you ever know?

400 A. No, sir; I never asked for it.

Q. Did you ever know whether the mains that you put down—these connections that you had made—were adequate to deliver the amount of water that you wanted?

A. Well, the only thing that I can say is that the complaints from the chief engineer and the foreman came to me, saying half the time they had no water or no force in the water. That is all I can state to you.

Q. How many times did they make that report?

A. I cannot say.

Q. How many times did you ever go to Mr. Gardner with a complaint?

A. I believe, once.

Q. You don't know when that was?

A. I think, maybe, twice. I don't know. It is so long ago.

Q. Well, now, how many barrels of beer were you making at this time, as the average daily product, before you laid down the pipe?

A. About 100—at the time that we laid down the pipe, say about 100.

Q. That would take 3,200 gallons of water a day for the beer alone?

A. Yes, sir.

Q. How much water did you use besides that?

A. Well, I cannot explain that.

Q. Did you use as much more water than the water you

401 put into the beer so as to make it 6,400 gallons?

A. No, sir; I don't believe we used that. I don't know.

Q. How was your pump connected with the water works at the time you did take water?

A. To take it through the hose?

Q. No; through the pump.

A. Which pump do you mean—the one we are using now or at the time when we had this?

Q. That pump that you used then.

A. Well, that pump would pump the water into the reservoirs, and it pumped the beer up.

Q. But I ask you how that pump was connected with your water supply.

A. It was connected to that pipe.

Q. Directly with the water-works pipe?

A. No, sir; we took it from our own pipe.

Q. I am now speaking of the time when you had no pipe of your own.

A. You mean the pipe that is connected in the brewery?

Q. Well, can you not answer me where you took the water from before you laid this main to the river—whether your pump was attached directly to your water-works connection or whether you let the water run into the tank and pumped it from the tank?

A. Yes, sir; we done that.

Q. Then the water that came to the premises through the
402 water works ran through this pipe into the tank, and your pump was connected with that tank, and you pumped it up into the upper story?

A. Yes, sir.

Q. You never had your pump connected directly with the main?

A. No, sir; never had.

Q. Why not?

A. Because we were not allowed.

Q. How do you know?

A. Because I know.

Q. Did you ever make application for it?

A. I believe I asked Mr. Gardner, and he said I could not connect with the main.

Q. Do you not know that $\frac{9}{10}$ of the water used in this city is from public connection with the main?

A. I cannot say.

Q. When did you apply to Mr. Gardner for that sort of information and get it?

A. We had the tank there and pumped it into the tank. The tank is five feet from the ground.

Q. When did you apply to Mr. Gardner for that sort of information and get it?

A. I cannot say.

Q. Are you certain Mr. Gardner ever told you that?

A. Well, I would like to have connection made with the water works on account that we want to use this main pipe.

403 Q. Are you certain that Mr. Gardner told you that?

A. Yes, sir; he told me that we could make no connection with the main.

Q. What do you mean by that; that you could not make a new connection with the main, or what?

A. That we could not connect our pump with the main. What we call the main is what comes inside the building.

Q. And you are certain that he told you that you could not?

A. Well, I am certain almost of that, because I would like to connect it.

Q. Tell us when and where you had that interview with Mr. Gardner.

A. I think I told him in the office.

Q. You will not be certain about that?

A. Well, so far as I know. I talked to him about it.

Q. Did you ever know of any other occasion of refusal to allow connection of the feed-pump or other pump direct to the surface pipe leading to the main?

A. I am only telling you. I am not positive, but I am almost sure of it. I talked to him about it and he refused it.

Q. Tell me how you supplied your boilers at that time.

A. The boilers were supplied from the tank.

Q. Your feed-pump from the boilers was connected with the tank?

A. Yes, sir.

Q. Then there were times when you had that tank filled with beer?

A. No, sir; we cannot put beer in where there is dirty water.

404 Q. Do I understand you to say that the tank into which the water ran when it came from the service was never allowed to be empty and the beer run into it?

A. No, sir.

Q. Then your engineer is mistaken when he says so, is he?

A. Well, I don't know. The tank stands alongside the boiler, like the safe there. The boilers stand alongside the tank there.

Q. When you started and had indifferent tank capacity that tank down by the delivery was never used to store the beer in temporarily?

A. No, sir.

Q. Are you certain of it?

A. No, sir; I would not do any dirty work like that. That would be dirty work.

Q. How dirty work?

A. Well, the tank is not clean.

Q. It has water?

A. Well, the steam and everything—the exhaust—goes from the upper part into it and warms it.

Q. You are talking about one tank and I about another. I now call your attention back. If you can keep it on the tank I would like you to do it. I understood you to say that before you laid down your pipe to the river, that before that connection, you had your water-works main, say the surface pipes, running into the tank in the building?

405 A. Yes, sir.

Q. And that your feed-pump or the pump by which you forced the water up to the upper story led into that tank, and you pumped the water from that tank, after it had flowed in there from the water works, up to the fourth story?

A. Yes, sir.

Q. That is the tank I refer to, and I ask you if when you first started this tank was not used at times to store the beer in.

A. Yes, sir.

Q. What did you do for water when that was done?

A. Well, when the water was pumped out and the beer was ready to be pumped up to the fourth story, in the cooling department, we had to clean the tank to let the beer go into the tank. After it was started from that same tank we took the pump and pumped it up into the cooler.

Q. You pumped the beer from the same tank that you pumped the water when there was any beer in it?

A. Yes, sir.

Q. You used the same pump?

A. Yes, sir.

Q. How long was that day's supply of beer going through that tank and pump?

A. I don't know; I never noticed it.

Q. Can you not approximate it?

A. Maybe an hour or an hour and a half. I don't know.

406 Q. During that time you had to shut off your water supply?

A. Yes, sir; to bring the water upstairs.

Q. You had to shut off your water supply from the main?

A. Well, we shut the wells inside.

Q. Now, that brewery was so arranged that during the whole time you were transferring the beer up to the coolers you could not let the water from the main without taking the pump from the beer?

A. Yes, sir; we could not take it upstairs, but we could use it down-stairs in the lower story.

Q. What connection did you have to use it?

A. We had pipes lying all around the brewery, but half the time it did not run. That is the reason we had to put the tanks upstairs and bring the pipes on the lower floor.

Q. I understood you to say that when you were using this pump pumping the water upstairs you shut off the water pipe?

A. No, sir.

Q. You let it into the beer?

A. No, sir; we had a stop-cock and we opened that as we needed it.

Q. You had more uses for water than that tank. What other uses?

A. To wash barrels.

Q. What other uses did you have for it?

A. At that time we used it for the boilers.

Q. What brewery were you connected with in St. Louis?

A. I was not connected with any of them there, but in other places. When you go upstairs where the water tanks are

407 you open the cocks and the water runs in.

Q. What brewery or breweries have you been connected with other than the one you are now connected with?

A. My own.

Q. Where was that?

A. On Prieur street, between Gravier and Perdido.

Q. You have never been connected with any brewery out of this city?

A. No, sir.

Q. Do you know of any brewery without distribution tanks in the upper portion of it?

A. You mean in the West and in the North?

Q. Yes.

A. Well, I cannot say, on account of never seeing it, but I heard it from my foreman.

Q. Do you know of any water works in the United States that has got sixty feet of head or pressure on its mains?

A. I got it from the foreman. They say that there is no trouble in the water. They have it on every story where he has been.

Q. I ask you do you know of any water-works system in the United States having a 60-feet pressure?

A. I don't know. I cannot tell you that.

Q. When did you put these tanks in the upper story of your brewery?

A. The water tanks?

Q. Yes.

408 A. We put them right up after we got the water works.

Q. You put them up before you started brewing?

A. No, sir; we had to put them up. It was about at the same time when the stand-pipe was put in. Everybody said we were going to have the pipes that would go upstairs.

Q. Do you know when that stand-pipe was put up?

A. That was about the time we built the brewery.

Q. How high is the upper story of the brewery from the ground?

A. About 50 feet—4 stories; the lower story 20 feet; the second story 14 feet; the third story ten feet. The upper story I don't know anything about. That is the ceiling.

Q. Do you know anything of the size of the small pump that you used when you first started the brewery up to the time when you got the big pump for the main laid to the river?

A. I know the pump, but I cannot tell you the size. It is a double-acting pump.

Q. So you don't know and never did know how much water you needed in your operations? I mean in gallons.

A. No, sir.

Q. You never undertook to calculate it?

A. No, sir.

Q. So when you applied to the water works Co. for water it was guess-work what water you would want?

A. Yes, sir; it was guess-work, the business we were doing at that time.

Q. You knew the capacity of the brewery to brew if you

409 done a good business, did you not?

A. In any start we do not make a good business.

Q. You knew how much beer you could brew on the premises if you did a good business?

A. Yes, sir.

Q. How much did you estimate your capacity to brew in that brewery if you had sale for all you could make?

A. The first year I sold 30,000 barrels of beer.

Q. Then 30,000 barrels of beer was the full capacity of the brewery as it then was?

A. Yes, sir.

Q. What is its capacity now?

A. Well, when we get ready—I don't know when that will be—it might be a little more—may be about 60,000 barrels.

Q. That is, 60,000 barrels of 32 gallons each?

A. Yes, sir.

Q. When did you sink the driven wells in your brewery?

A. That was done two years ago in June coming.

Q. What wells did you sink then?

A. Four-inch pipes.

Q. How many of them?

A. Two of them.

Q. How deep?

A. 405 feet.

Q. How much water did they yield you?

A. 80 or 85.

410 Q. 85 gallons a minute?

A. Yes, sir; that is what he said to me.

Q. For what purpose did you use that water?

A. For cooling off the condenser.

Q. That is in your ammonia machine?

A. Yes, sir.

Q. What other purpose?

A. For the boiler.

Q. For what other purpose?

A. For the bottling department.

Q. Is the supply adequate for all these purposes?

A. Yes, sir; for the bottling department we have got tanks, and we fill them and let them stand there. The way they use it we do not use much water.

Q. What I ask you is, do these wells furnish you a supply adequate for steam purposes, for cooling your ammonia coils, and for washing your bottles?

A. So far they do.

Q. Have you estimated that they will continue to do so?

A. Well, they will give all the time the same condition of water.

Q. You have a supply from that source enough to furnish you steam necessary for your refrigeration in your ammonia apparatus and for washing bottles?

A. Yes, sir; the water in the condenser has to be used over again for the boilers. We do not waste that water; we do not waste a drop of it.

411 Q. Then you require no supply from the water works Co. for these three purposes?

A. Well, if anything happened which might take the supply from the water works the boilers could not be without water.

Q. But you compute the capacity of these driven wells to make them abundant as water works for these three purposes?

A. Yes, sir.

Q. Now, aside from making the beer and the water that goes actually into the beer for what purpose do you use the river water?

A. For making beer.

Q. That is not an answer to my question. You use, of course, the river water for the water that goes into the beer?
A. Yes, sir.
Q. Now, what else do you use the river water for?
A. You mean what we mix the water with?
Q. No; we will say that you make 100 barrels of beer a day?
A. Yes, sir.
Q. Now, that would take 3,200 gallons of river water to go into the beer?
A. Yes, sir.
Q. Now, what other purpose do you use the water for above these 3,200 gallons that go into the beer?
A. Washing the barrels and cleaning up.
Q. How much is used for that purpose?
A. I don't know.
412 Q. Can you not conjecture?
A. No, sir.
Q. How do you use the water; through a hose?
A. Yes, sir.
Q. What size hose?
A. Three-quarters.
Q. What size nozzle?
A. I don't know. I believe it is the same, the nozzle.
Q. You think it is a three-quarter nozzle?
A. Yes, sir.
Q. Now, is that running all the time?
A. No, sir.
Q. How much in the day are you using with this three-quarter nozzle on the barrels?
A. Well, some days it runs more and some days less.
Q. Can you make us an average?
A. Well, it runs about half the day, but we call it six hours steady in the day.
Q. Now, for the washing?
A. I mean for the washing and washing barrels.
Q. But for washing out the premises, how often do you wash them out?
A. It is done once a day.
Q. How long is the hose playing on that?
A. That goes very quick; when they do that they generally clean up to go home, about fifteen minutes.
Q. That is all the water you want to use on the premises?
413 A. Yes, sir; and for the stable.
Q. How many horses have you?
A. We have got sixty-five head of horses.
Q. You have got a trough there, I suppose?
A. Yes, sir.
Q. The water is running through that?
A. Yes, sir; slowly.
Q. A slight overflow?
A. Yes, sir; just a light overflow.

Q. Now, you are preparing a large number of beer tuns for storing beer, are you not?

A. Yes, sir.

Q. It is with the view to increase your capacity?

A. Yes, sir.

Q. How much do you expect to increase the capacity above its present capacity?

A. You mean when the new improvements are done?

Q. Yes.

A. It will be about 100,000 barrels a year.

Q. 100,000 barrels of beer against 10,000 now?

A. No, sir; we sell more than 10,000 barrels a year now. We sold 30,000 at that time. I want to sell 100,000 if I am able; if I cannot there will be no business.

Q. Before you began extending your works by new buildings and making new appliances, what was the maximum capacity of the brewery for making beer in a day of 24 hours?

414 A. We sold as high as 150 barrels a day.

Q. How much could you make in a day, not how much you could sell?

A. We could make 300 barrels a day now, at this time.

Q. That is, that was your capacity?

A. Not when we started.

Q. But that was your capacity when you began your extensions and improvements?

A. Yes, sir.

Q. And you expect to get the brewery to have a capacity of how much?

A. 60,000 barrels.

Q. That is, you expect to put in appliances so that you can make that?

A. Yes, sir.

Q. Now, I ask you to state, according to the best of your recollection, just exactly what conversation you had with the foreman of the labor gang, Mr. Forrest, at the brewery.

A. There was a conversation with him at the brewery. I told him to take the pipes off and make them all in one and he said he would not do it; and he said he did not have an order to do it.

Q. When you say "them pipes" what do you mean?

A. The pipes that were connected by the party that had the brewery before, named Merz. We had the same connection.

Q. That is, you wanted him to take out the inch connection?

A. Yes, sir; and put it all in one.

415 Q. How large a connection would that have made?

A. I don't know. I told him to put in about a two-inch and make it larger and give us a good force or power inside to raise the water in the premises, and he said that was sufficient; I would get plenty of water that way.

Q. You did not think about going to the superintendent of the water works about it?

A. I went to Mr. Gardner about the trouble—that the water did not run.

Q. But about this connection did you go to him?

A. No, sir; I did not go to him about that.

Re-examined.

By Mr. GOLDTHWAITE:

Q. Do you use the river water for bottling—washing?

A. No, sir.

Q. Why not?

A. Because it is too dirty.

Q. Where did you get the water from for that?

A. We got it from our artesian wells.

Q. How many artesian wells have you?

A. Two of them.

Q. What supply of water do you get from the artesian wells?

A. About 75 or 85 gallons a minute.

Q. Do you use that for any other purpose than the washing of bottles?

416 A. Yes, sir; we use it for steam and the cooling of the condensers.

Q. Why do you not use the river water for steam?

A. Well, it has too much dirt in it and would make too much dirt in the boilers.

Q. What is the effect of river water on boilers?

A. It will burn the boiler in two.

Q. If it was clear water would it affect the boilers that way?

A. No, sir.

Q. Why do you not use the river water in the condensers?

A. Well, the river water has too much sediment in it and settles in the pipe, and we cannot cool the ammonia off.

Q. Could you use it if it was clear?

A. Yes, sir.

Q. Now, about what proportion does the whole supply of water—the water used for bottle-washing, for the boilers and the condensers—bear to all the water which you get from the water works company?

A. I don't know.

Q. Could you conjecture or approximate whether it is one-third, a fourth, or a fifth?

A. We use all the water from the water works Co., 50,000 gallons a day.

Q. And how much from the artesian wells?

A. 75 or 80 gallons a minute.

Q. Is that constant?

A. Yes, sir.

417 Q. If you were to cook or purify that river water, could you use it for the purpose of bottling or in the boilers or the condensers?

A. Yes, sir; we could use it if it is cold in the condensers.

Q. Now, you say that the supply of water from the water works Co. is all that you want. Do I understand you to say that in answer to the question of Mr. Beckwith, that the supply of water that you get from the water works Co. was all that you wanted?

A. Yes, sir; at that time.

Q. But if they supplied you with that same quantity of water now or when your improvements are made which you have got from them, would it be an adequate supply?

A. I don't know.

Q. Did you get all the water that you could get from it?

A. I believe so; if nothing happened I believe we could get as much water as we needed.

Q. Was there any reason for not applying to the water works company in writing for an increased supply of water from that company?

A. Well, the only thing is that I went to Mr. Gardner at the office and said I would like to get more water, and he said, "Well, I think we will see about it," or something of that kind, but they never done it; they never made an improvement in the mains or gave us a different connection.

Q. Was that your reason for not applying in writing?

418 A. No, sir; I was not there. The chief engineer and foreman reported to me. They said, "We had no water this morning and we could not wash the barrels." Then the chief engineer came and told me that they had the plugs open, and they would have to wait until the plugs were closed.

Q. Why did you not apply in writing?

A. Well, I did not think it was necessary to do it on account that the water works Co. would accept it in that way and send a man to see about it.

Re-examined.

By Mr. BECKWITH:

Q. Do you understand that scale in the boiler coming — water comes from sediment or from salts in solution in the water?

A. From the sediment in the water.

Q. From the sediment alone?

A. Yes, sir.

Q. Then if the water is clear it never makes any scale?

A. Well, if it is lime water it will.

Q. Does not your well water give a scale?

A. No, sir; on the contrary, our boilers are like new.

Q. Then there is no salt in suspension?

A. Yes, sir; there is a little salt and iron in our well. I used to pay $2.50 each battery to clean them out, and now we never have to pay that.

Q. You are taking water now that has been condensed?

419 A. Yes, sir; it comes from the condensers.

Q. You are taking that water?

A. Yes, sir; we always did.

Q. You did not take it direct from the wells?

A. No, sir; the water is a little warm when it comes from the condenser.

Q. Is it not true that you sunk there wells and used the water from the wells in your ammonia apparatus because the water in the wells is cooler than the water from the river in summer time?

A. Yes, sir.

Q. Then it is not because the artesian water is cleaner, but because it is cooler, you use it?

A. Well, the dirt hurts it. When you put a quarter of an inch of mud on the top of a pipe and the water runs down you cannot cool the ammonia inside.

Q. Then these ice companies that use it constantly over their ice machines are very foolish?

A. No, sir; they are always looking for clear water.

Q. They have managed to use the river water for years, have they not?

A. Yes, sir; they have, but clear water is the best thing.

Signature waived.

Adjourned to Monday, May 23, 1887, at 11 o'clock a. m.

NEW ORLEANS, *May* 23, 1887.

420 NEW ORLEANS WATER WORKS CO. }
vs.
SOUTHERN BREWING COMPANY. }

Meeting convened as per adjournment.

Present: Alfred Goldthwaite, Esq., solicitor for defendant, and J. R. Beckwith, Esqr., solicitor for complainant.

And the following entry was made:

Mr. Beckwith, for the complainant, withdraws so much of the objection to Exhibit "J" and to the affidavit contained in said exhibit as relates to the form of the proof or to the affidavit being *ex parte*, or that the alleged notice is not an imprint, and reserves the right if it should appear on comparison that the copy with the notice as printed differs from the copy to establish the same by proof, and reserving the right to contradict by proof the statements contained in the affidavit of S. S. Gregory, but making no objection as to the form in which the testimony of Gregory is given.

Upon which an adjournment was made to Friday, May 27th, 1887, at 3 o'clock p. m.

Exhibit A, offered with defendant's testimony, copied at page 48 of this Transcript.

Exhibit "B," offered with defendant's testimony, copied at page 37 of this Transcript

421 EXHIBIT "C." Offered with Defendant's Testimony.

UNITED STATES OF AMERICA.

STATE OF LOUISIANA,
Parish of Orleans, State of Louisiana.

Be it known that on this seventh day of the month of May, in the year of our Lord one thousand eight hundred and eighty-four, and of the Independence of the United States of America the one hundred and eighth, before me, Joseph Dewey Taylor, a notary public in and for the parish of Orleans, State of Louisiana, duly commissioned and qualified, and official notary of the city of New Orleans, and in the presence of the witnesses hereinafter named and undersigned, personally came and appeared the Honorable Joseph Valsin Guillotte, mayor of the city of New Orleans, herein acting in his official capacity as mayor aforesaid, being herein and hereunto specially authorized and empowered by ordinance number 628, council series, adopted by the council of the city of New Orleans on the 18th day of March, A. D. 1884, a duly certified copy
422 of which ordinance is hereto annexed and made part hereof.

Also came and appeared Mr. Peter Blaise, president of the Southern Brewing Company, of this city, a corporation duly organized under the laws of this State by act of incorporation passed before me, notary, on the seventh day of July, A. D. 1882.

And the said Joseph Valsin Guillotte, mayor aforesaid, declared that, acting in his said capacity of mayor and for and on behalf of the city of New Orleans, by virtue of said authority in him vested by said ordinance No. 628, council series, he does by these presents grant and confirm unto the said Southern Brewing Company the right "to construct and maintain a water supply pipe from its brewery through Toulouse street to the Mississippi river" on condition that said Southern Brewing Company shall do all work connected therewith at its own cost, charge, and expense, including the replacing of the streets, stones, and paving under the direction and to the entire satisfaction of the city surveyor and the commissioner of public works of the city of New Orleans; and provided further that said Southern Brewing Company shall execute and sign a notarial contract, with good and solvent security, in the sum of five thousand (5,000) dollars, conditioned that it shall properly restore the streets and crossings through which said pipe may pass, a duly certified copy of which ordinance is hereto annexed for reference.

Said Peter Blaise, president, declared that, acting for and on behalf of said Southern Brewing Company, he accepts said ordinance No. 628, with its privileges and advantages and subject
423 to all its requirements and penalties, and hereby binds and obligates said Southern Brewing Company, when said pipe shall have been laid, to immediately and properly restore the streets, ways, and crossings through which said pipe may pass, all in conformity with the provisions of said ordinance No. 628.

And now personally came and appeared Mr. Hermann H. Bierhorst,

a resident of this parish, who, with said Peter Blaise, declared that they do hereby guarantee to the city of New Orleans the faithful compliance by said Southern Brewing Company with all the foregoing requirements in relation to the restoring of the streets, ways, and crossings which may be disturbed in the laying of said pipe according to the requirements of said ordinance No. 628, and bind themselves in favor of the city of New Orleans each in the full sum of twenty-five hundred dollars, lawful money of the United States, payable on demand to the said mayor of the said city of New Orleans or his successors in office.

Now, the condition of the foregoing bond or obligation is such that if the said Southern Brewing Company shall immediately after such pipe shall have been laid properly restore the streets, ways, and crossings which may be disturbed in the laying of said pipe according to the requirements of said ordinance No. 628, council series, then the above-written bond or obligation shall be null and void and of no effect, but otherwise to be and remain in full force and virtue.

Thus done and passed in my office, in the city of New Orleans aforesaid, the day, month, and year first aforesaid, in the pres-
424 ence of Charles G. Rebentisch and Theodule Buisson, witnesses, residing in this parish, who have signed with the said parties and me, notary.

(Original signed) J. V. GUILLOTTE, *Mayor.*
PET. BLAISE, *Pres'd't.*
PET. BLAISE.
H. H. BIERHORST.
C. G. REBENTISCH.
TH. BUISSON.
J. D. TAYLOR, *Not. Pub.*

A true copy of the original.
New Orleans, May 12th, 1884.
[SEAL.] (Signed) J. D. TAYLOR, *Not. Pub.*

425 *Defendant's Testimony.*

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

Testimony taken on behalf of the defendant under the 67th rule of practice of the courts of equity of the United States before Edward R. Hunt, special examiner, duly appointed and qualified to take and return depositions in the above cause.

NEW ORLEANS, *December 3rd*, 1887.

Present: Alfred Goldthwaite, Esq., for the defendant.
J. R. Beckwith, Esq., for the complainant.

JAMES D. HOUSTON, recalled and examined on his return to the writ of *subpœna duces tecum.*

By Mr. GOLDTHWAITE:

Q. In compliance with the writ of *subpœna duces tecum* you have

brought with you the original receipt of the Daily States Publishing Company, of date May 5th, 1884, to the New Orleans Water Works Company?

A. Yes, sir; I have.

Q. The original receipt of Samuel P. Blanc for counsel services in drawing up the act of the General Assembly of Louisiana known as act No. 56 of the Pamphlet Acts of 1854, either from you, the said James D. Houston, individually, or the New Orleans Water Works Company?

A. No, sir; I did not, because he never received a cent for any
426 such employment. I brought the receipt for his fee in the case of The City of New Orleans *vs.* The New Orleans Water Works Company for taxes. Out of that suit grew his subsequent connection in defending a suit brought next by the committee of one hundred attacking the act, and it was considered all being one. There was no such receipt, either by me—that is, for money paid by me—or by the company, for any such services. *Br.* Blanc never made any charge for that specific service to me. Mr. Blanc has been my attorney since 1881, and it has been customary for me to go into his office and ask Mr. Blanc to draw up acts for me or do anything for me of that kind. Mr. Blanc seldom, if ever, presents me with a bill for any particular thing done. I have also, I might say, trespassed on Mr. Beckwith's time in that way. He has drawn up several acts for me, for which I never paid him. I have paid him in other cases, and I suppose he thought that this paid for the personal services he rendered me.

Q. Now, the *the* subpœna calls for the receipt given by the said James D. Houston to the New Orleans Water Works Co. for money paid to the said Samuel P. Blanc and reimbursed to the said James D. Houston by the New Orleans Water Works Co. for account of services rendered by the said Samuel P. Blanc in consulting about and drawing up act No. 56 of the Pamphlet Acts of the General Assembly of Louisiana for 1884 and the ordinance known as
427 909, council series, and the contract made by the city of New Orleans with the New Orleans Water Works Co., October 3rd, 1884, before Joseph D. Taylor, notary public.

A. My answer to that is that there is no such receipt. No such money was ever paid by me to Mr. Blanc, nor was I ever reimbursed any money by the New Orleans Water Works Co. Mr. Blanc's original engagement was with me as an individual for the purpose of defending the suit of The City of New Orleans *vs.* The Water Works Co. for taxes. After that case was lost I had Mr. Blanc to draw up that act. The act was passed. I then had Mr. Blanc to draw up the contract, and when the contract was drawn up and accepted by the company the company agreed to pay the original fee which I had agreed to pay Mr. Blanc for his services in the case of The City of New Orleans *vs.* The New Orleans Water Works Co. for taxes, which they did. After the settlement I recommended to the company the payment of a fee in addition to what I had contracted; that the case was one of considerable importance and was supposed to have been finally settled by the contract. The company paid

that fee, but in that fee there was no part or consideration for drawing up the act or for making the contract. I have no receipt for the moneys paid by me to Mr. Blanc and subsequently reimbursed to me by the company, as I never paid Mr. Blanc anything as a fee.

Q. Have you brought with you the ledger, day book, journal, receipt book, and minute book of the board of directors of
428 the New Orleans Water Works Co. for the year 1884?

A. I have the minute book, which is here; also the receipt book. These are the only books we brought. I did not notice that there was a call for anything else.

Q. Which you have heretofore stated. Do I understand that you make that as a return to the *su-pœna duces tecum* with which you were served in this case?

A. It is a return where I do not produce the things asked for.

Q. But, so far as it goes, you make it as a return?

A. Yes, sir. I make it as a return so far as the things produced are concerned.

Q. Will you turn to the receipt book and show me the receipt given by the Daily States Publishing Co. of May 5, 1884?

Witness produces the receipt referred to, contained in the receipt book under date May 5, 1884. It reads:

"NEW ORLEANS, *May* 5, 1884.

Received from N. O. Co. fourteen $\frac{25}{100}$ dollars, as per bill rendered.
DAILY STATES PUB. CO.,
14\frac{25}{100}$. Per CARROLL."

2\frac{25}{100}$ of this amount was for adv't'ng divid., payable April 10, 1884.

$12, notice of legislative act."

Q. Will you be good enough to turn me to the two receipts given by Mr. Blanc, one of May 28th, 1885, and the other of November 14th, 1884?

Witness produces the receipt of November 14th, 1884.

429 "N. O., *November* 14*th*, 1884.

Received from N. O. Water Works Co. $2,500.
$2,500. SAMUEL P. BLANC,
p. p. JOHN J. HANNON.

Witness produces the receipt dated New Orleans, May 28th, 1885:

Received of the N. O. Water Works Co. twenty-five hundred dollars, being balance of fee in matters of N. O. Water Works Co. *vs.* City, in relation to payment for water supply and tax claims, said payment to cover future services needed to complete the adjustment and settlement for claim for city taxes and payment for water supply in the past.

SAMUEL P. BLANC.

Q. Did these two payments to Mr. Blanc include the payment for services rendered by Mr. Blanc to you or to the water works Co., as you may view it, for drawing up the act No. 56 of the Pamphlet Acts of the General Assembly of Louisiana for 1884 and the ordinance known as No. 909 of council series and the contract made by the city of New Orleans with the New Orleans Water Works Co., October 3, 1884, before Joseph D. Taylor, notary public?

A. Not to my knowledge. Mr. Blanc could best answer whether he considered that a full payment—whether he included it or not.

Q. Did you ever pay Mr. Blanc for these special services, either as individual or as an officer of the New Orleans Water Works Company?

A. Never. As I said before, Mr. Blanc had been my attor-
430 ney since 1881, and he has drawn up quite a number of acts for me. He drew up a tax act. He drew up an assessment act. He has drawn up quite a number of acts, for which I never paid him on a bill specifically made out for them. I do pay Mr. Blanc for his services. He presents a bill to me and I pay it. Mr. Blanc never states in his bills for what specific services they are made out.

Q. Mr. Blanc drew up the act of 1884?

A. Yes, sir.

Q. And he drew up the ordinance No. 909, council series?

A. My impression is that he did.

Q. He drew up the contract between the city of New Orleans and the New Orleans Water Works Co. on that act 56 and the ordinance No. 909?

A. I don't know that he did that. Perhaps the notary public may have done that. Mr. Blanc may have had some supervision over it, but I am not positive of that.

Q. Do you know whether the New Orleans Water Works Co. ever paid Mr. Blanc for that ordinance 909, council series, or for that act—the act of October 3, 1884?

A. I am positive that they never have.

Q. Did Mr. Blanc have any compensation in addition to that $5,000, the receipts for which have been produced?

A. He did not; not in that connection he did not.

Q. Is Mr. Blanc a retained servant of the water works Co.?

A. He is not; not outside of certain tax cases.

431 Q. Then you have never paid for these services individually?

A. Not specified in a bill, but I paid him, Mr. Blanc, for all the services he rendered me.

Q. Has he ever rendered a bill for these special services to you?

A. No, sir; nor for any other special services.

Q. Has he ever rendered to the water works Co. any bill for these special services?

A. He never has.

Q. Did you have any connection with the drawing up of that contract of October 3, 1884?

A. Not to my recollection. I am positive I did not.

Q. Did you have anything to do with the ordinance No. 909 of council series?

A. I urged its passage.

Q. Did you have anything to do with drawing it up or the wording of it or directing it in any way?

A. I think I read it over with Mr. Blanc; that is my recollection.

Q. With reference to the little bill for $12, which was paid by the water works Co. May 5, 1884, to the Daily States Publishing Co., which has been produced, have you ever reimbursed that amount to the water works Co.?

A. I never have.

In response to the subpœna, the minute book of the board of directors having been produced, the solicitor for the defendant asks the witness, Mr. Houston, to turn to the minutes of the board
432 of directors which refer to any payment made to Mr. Blanc by the New Orleans Water Works Co., and in compliance with such request he turns to page 111, to the minutes of a called meeting dated November 11, 1884, and reads: "On motion of Mr. Houston, which was adopted, $2,500 was ordered to be paid to Mr. S. P. Blanc on account of his fee for legal services rendered in the State court, in the supreme court of the State, and in the city council—the case of the city ordinance No. 909, council series, dated September 25, 1884.

Q. Is there anything, so far as you are informed and believe, in the ledger, day book, or journal, which have not been produced in response to the *subpœna duces tecum*, which bear upon this cause or the matter inquired about?

A. Nothing.

The solicitor for the defendant accepts the statement of the witness, Mr. Houston, and dispenses with any further return for the ledger, the day book, and the journal.

Mr. Beckwith, the solicitor for the complainant, objects to each and every of the documents produced and the inquiries made of the witness for the reason that such matters relate to no legitimate issue or controversy in this cause.

Signature waived.

433 WILLIAM H. MOON, sworn on behalf of the defendant, says:

By Mr. GOLDTHWAITE:

Q. What is your present position in connection with the city government?

A. I am a member of the city council.

Q. How long have you been such?

A. For the past three years or over—since May 1, 1884.

Q. Do you remember what time in the month of May you entered upon your duties in the city council?

A. I do not; it was the second Tuesday in May, 1884.

Q. Was that prior to the meeting of the Legislature of Louisiana in 1884?

A. I don't know what time the Legislature met in 1884.

Mr. Goldthwaite suggesting that the constitution of the State fixes the time for the meeting of the Legislature on the second Monday of May, the witness states it was that time.

Q. Did the city council have any representative at the Legislature in the session of 1884 duly authorized to appear there on behalf of the city of New Orleans?

A. No- to my knowledge.

Q. Would you have known it, as a member of the city council, if there had been any one there to represent the city of New Orleans?

A. I would if any one had been authorized to do so by the action of the city council, and no other action would have been legal.

Q. Are you familiar with the act No. 56 of the General
434 Assembly of Louisiana, contained in the Pamphlet Acts of 1884, relating to the water supply to be furnished to the city of New Orleans by the New Orleans Water Works Company?

A. Only in a general way. I have read it over.

Q. Do you know whether the city of New Orleans or the city council had anything to do with the passage of that act?

A. I do not.

Q. As a member of the city council, would you have known it if the city of New Orleans did have anything to do with the passage of that act?

A. I think I would; yes, sir.

Q. Have you any recollection of the passage of the ordinance known as No. 909 of the council series?

A. Is that in relation to the contract with the New Orleans Water Works Company?

Q. Yes, sir; it is.

A. Yes, sir; I have a recollection.

Q. At whose instance was that ordinance passed and adopted by the city council?

A. I think at the instance of the committee on public order. They had charge of the matter.

Q. Do you remember who composed the committee of public order at that time?

A. Joe Garidel was chairman, Mike Carroll, George H. Lord. (I will furnish the name.)

Q. Were you a member of that committee?

A. No, sir.

435 Q. Then do you know who influenced or who solicited the passage of that ordinance other than the committee on public order?

A. Well, I was present at all the meetings held—I think at all the meetings held on this subject—and I took a very active part in the passage of that ordinance myself, thinking it was for the good of the city.

Q. You took a very active part?

A. Yes, sir; not as a member of the city council. I cannot say that there was any influence outside of the wish of the council to get rid of a very ugly lawsuit and save the city some money. I know that these were the reasons that actuated me in it. I believe I suggested the price that was to be paid Mr. Blanc — was before the committee. I forget what his figures were, but they were wholly in excess of that paid by the gas company. I suggested that they should accept the same amount as paid for the lighting of the city, and on that basis it was fixed.

Q. Did the water works company have anything to do with the passage of that ordinance?

A. Not that I knew of.

Cross-examination.

By Mr. BECKWITH:

Q. Was there not some effort upon the part of the city to get some legislation on the subject at that session of the Legislature?

436 A. There might have been some, but my recollection does not recall it. I think if there was anything in the council relative to a legislative enactment I would have known it.

Q. Do you know whether the mayor and the city attorney went up to Baton Rouge during the session of the Legislature?

A. In 1886 there were certain amendments to the city charter suggested in the council, and, although no regular committee authorized for that purpose went up, I think some persons in their individual capacity went up. But in 1884 I have no recollection of that kind.

Q. Do you mean to say that you don't know whether anybody went up there or not, whether the mayor or the city attorney or anybody else?

A. I have no recollection of that. The mayor may have gone up there, for all I know.

Q. In 1886 was there any action by the city council relative to going up?

A. There was a committee appointed in 1886. I was a member of the committee, but as a committee we did not go. We went as individual members of the city council.

Signature waived.

THOMAS H. RYAN, sworn and examined on behalf of the defendant, says:

By Mr. GOLDTHWAITE:

Q. Are you a member of the city council of the city of New Orleans?

437 A. Yes, sir; I am.

Q. How long have you been such member?

A. Since November, 1882. I have been twice elected.

Q. How long has the city of New Orleans existed under the present form of council and not bureau?

A. Since the second Tuesday in November, 1882.

Q. Do you know anything in relation to the act No. 56 of the General Assembly of the State of Louisiana, found in the Public Acts of 1884, relating to the supply of water to the city of New Orleans by the New Orleans Water Works Company?

A. All I know is that the act was discussed and considered in the council.

Q. When?

A. Some time during that year 1884.

Q. Was it before or after the passage?

A. After the passage.

Q. Do you know whether any such act was submitted to the city council before the Legislature met in May, 1884?

A. No such act was ever submitted, according to my recollection.

Q. If it had been submitted would you have known of it?

A. Certainly; it would have gone to my committee.

Q. What was your committee?

A. The committee on water, levees, and drainage.

Q. Did the city council have anything to do with the securing of the passage of that act No. 56 of the acts of 1884?

A. The council as a body did not.

438 Q. Would you have known it if it had had anything to do with the passage of that act?

A. Certainly.

Q. Do you know anything about the ordinance No. 909 of the council series, and about it being offered in and passed by the city council of New Orleans?

A. Yes, sir; I remember it was a very interesting topic when it was up for discussion; everybody took part in it.

Q. Do you know at whose instance that ordinance was introduced and passed?

A. No, sir; I don't remember who introduced it. It may have been myself; I don't know; it is so long ago.

Q. Did you know at the time it was adopted who had drawn it up?

A. No, sir; I did not know that.

Q. Do you remember if the water works Co. had anything to do with securing its passage?

A. I do not.

Q. Did it go to your committee?

A. I don't think it did. It was considered to be more of a question of advisability or law than a water supply, and it was referred, as Mr. Moon said, to the committee on public order in the council.

Q. Do you know anything in relation to the contract made in October, 1884, to carry out the provisions of the ordinance 909, council series, and act No. 56 of the Public Acts of 1884?

A. Well, I suppose that I ought to say that I know something; but to be specific, I could not.

439 Q. What is the extent of your information?

A. My information is to the extent that the water works Co. and the city entered into what was considered to be a compromise, in which the city got the best of it, in my estimation. I have no very clear idea about the details.

Q. Was that the general opinion in the council?

A. Yes, sir; it was or it would not have passed.

Q. That it was a compromise of the litigation?

A. I cannot say for the other members of the council, but that was my view of it, looking at it at that time.

Signature waived.

WILLIAM GOLDING, sworn and examined for the defendant, says:

By Mr. GOLDTHWAITE:

Q. Have you ever been connected with the New Orleans Water Works Company?

A. Yes, sir.

Q. How long were you connected with the company and when did your connection with the company commence?

A. Perhaps about four years, commencing, I think, in 1882. I am not positive about the time, but I think it is that.

Q. And lasted until about 1886?

440 A. Yes, sir.

Q. What was your position?

A. Consulting engineer.

Q. Did you have a general familiarity with the machinery and the drawing of water by the New Orleans Water Works Company?

A. Yes, sir; I had that. I knew all that was going on in that respect.

Q. Do you know whether any change has been made in their system of delivering water or the service of water?

A. There has been no change. Everything is carried on just the same as it was in 1860.

Q. What is and what was the method of storing water by the New Orleans Water Works Company?

A. They have four reservoirs or basins which hold sufficient water for what is known as the night supply. The engines commence the day at six o'clock in the morning and they run until six o'clock in the evening, maintaining a pressure equal to 60 feet head, so called, about 25 pounds to the square inch pressure. At six o'clock in the evening connection is opened with the basin, and the pressure then falls to the basin pressure, which is about 28 feet or perhaps 11 or 12 pounds to the square inch. The engines run under that pressure until about nine o'clock, and remain idle then from nine o'clock until about 3 o'clock in the morning, when they are again started to pump into the basin until 6 o'clock, when the next day's duty commences by closing the connection with the reservoirs.

441 Q. Then the storing of water in the reservoirs is purely for the night supply?

A. The night supply.

Q. Is there any difference in the supply of water which is furnished from the reservoirs and what is furnished directly from the river in point of clearness and wholesomeness?

A. No, sir; I think that there can be very little difference. Some small quantity of sediment deposits in the basin during the night, which has to be cleaned out once or twice a year, but generally in the water, can hardly be appreciated.

Q. Has that condition of thing- always existed?

A. Since 1860; there has been no change.

Q. Do you know for what purpose that water in its natural state is fit for—I mean the river water?

A. Well, it furnishes the entire supply of a very large number of people; they have no other. It is most excellent water for machinery, and it is by some preferred for bathing. Of course, it is not a table water, unless it is allowed to subside or undergoes artificial clarification.

Q. How is it for laundry purposes?

A. If has to be clarified for laundry purposes.

Q. How is it for general cooking purposes?

A. I believe it is not used for cooking purposes, unless some time for settlement is allowed or is artificially clarified.

Q. How is it for the ordinary purposes for which you use water?

A. Well, as a matter of course, it is river water. It is not improved in passing through the works of the water works Co.
442 It is delivered in precisely the same condition of purity. About the qualities of river water it is mere of a matter of opinion than anything else.

Cross-examination.

By Mr. BECKWITH:

Q. Do you know any reason why the character of the water taken into the pipe of the New Orleans Water Works should be any better or worse than the same water taken in at the head of St. Louis street? Or, rather, if the water works instead of being located where they are now were to be changed so as to take their water from the river at the head of St. Louis street, in your opinion, would you get a better or a worse supply of water?

A. I think that the point of the river from which the water is drawn at present would be preferable than lower down, for the reason that there is less liability of impurity from the city. Other than that, I do not see any difference.

Q. Do you know that the fires are extinguished in the works at night as they were when you were there, or are they banked and kept for the purpose of steam, in case it is necessary?

A. All the time since I have known the water works, since 1860, the fires were always kept banked at night. That was the purpose during the time I was connected with the works, so that they could start up the engines at a moment's notice, if required. I don't know of any departure from the mode of conducting the
443 works since I was connected with them from what it was in 1860. It has always been the same.

By Mr. GOLDTHWAITE:

Q. The night supply is drawn from the reservoirs?

A. Yes, sir.

Q. Is the effect of that to weaken or strengthen the distribution of water throughout the city?

A. It is likely to weaken it. The pressure, instead of being 24 or 25 pounds, may be 10 or 11 pounds pressure.

Q. Why is it that it is served from the reservoirs at night instead of being served directly from the river?

A. Well, it is an advantage to the company. It costs less to pump water 28 feet than 60 feet—that is, it allows six hours' time at night to make repairs, if anything has to be repaired. It does not lessen the time at night, because the men are there and have to be paid anyhow.

Q. What is the practice on Sunday?

A. On Sunday the practice is to continue what we call the basin pressure, and there is an intermission from pumping from 11 o'clock to 3 or 4 o'clock; in other words, the practice on Sunday is about the same as at night.

Q. What is the observation or what has been the observation when a large fire breaks out anywhere in the city of New Orleans and a large supply of water is necessary—what effect does it have upon persons who are served with water beyond the fire or in the neighborhood of the fire?

444 A. When there is a large draught of water in the vicinity of a fire it lessens the pressure in that immediate neighborhood. Points remote from there are not so much affected. So that if persons have a pipe leading into their premises only large enough to supply that pressure of 60 feet head and a large draught should be made on the distribution of that neighborhood they would not get a sufficient supply; the water would be liable, perhaps, to stop.

Q. Is there a remedy for that?

A. Well, the remedy would be in the distribution. The pumping facilities of the water works are ample, but the pipe in some neighborhoods is restricted. Of course it is not beyond remedy; it is merely a defect in the distribution.

Q. Has there been any change in the distribution or service of water of late years by the water works Co.?

A. Yes, sir; there have been some changes made, and they are always extending in one direction or another, making changes.

Q. But I mean changes for the better.

A. There are some changes of the pipes, but, from an engineering point of view, I don't think they are improvements.

Q. From what time do you make your estimate?

A. I think from 1879, 1880, 1881, and up to 1883, I think, they make some extensive changes. I think they have made very little changes since 1883, except in extending the pipes in some directions.

Signature waived.

445 NEW ORLEANS, LA., *January 5th*, 1888.

THE NEW ORLEANS WATER WORKS COMPANY
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

Testimony resumed on behalf of the defendant this day.
Present: Alfred Goldthwaite, Esq., for the defendant.
J. R. Beckwith, Esq., for the complainant.

JOSEPH GARIDEL, a witness produced, sworn, and examined for the defendant, says:

By Mr. GOLDTHWAITE:

Q. Were you a member of the city council in 1884?
A. Yes, sir.
Q. Were you a member of the city council in April, 1884?
A. No, sir.
Q. Or in May, 1884?
A. We must have come into office the first or second Monday of May, 1884, as far as I know.
Q. Did you have any knowledge of what is known as act No. 56 of the acts of the General Assembly of 1884, relating to the supply of water for the city of New Orleans, before the act was passed by the General Assembly?
A. No, sir; I knew nothing of it until it had been passed.

446 Q. Do you remember if the said act or a draft of the said act was submitted to the council at any time before its passage by the General Assembly?
A. Never, to my knowledge.
Q. If it had been would you have a recollection of it?
A. I would have been one of the first to whom it would have been submitted, being on the committee of public order.
Q. What is the function of the committee of public order?
A. It is considered now as the legal committee of the council.
Q. When did you first have a knowledge of the act No. 56 of the act- of 1884?
A. The first time that I read that act No. 56 of the acts of 1884 was after having been appointed on a committee to consider what action might be taken to enable the city of New Orleans to collect the taxes due by the water works Co. I knew a great deal about the litigation between the city of New Orleans and the water works Co., because I heard of what had taken place in the court of which I was the minute clerk.
Q. When was that?
A. It must have been during the year 1883. It was under the administration of Charles S. Buck, as city attorney, when he attempted to collect the taxes due by the water works Co. The decision of the court of which I am the minute clerk was that the city of New Orleans had a right to collect its taxes, but at the same time she should be condemned to pay the water works Co. for the

year 1881, if I remember well, the sum of forty-one thousand and some hundred dollars.

Q. Are you still the minute clerk of that court?

447 A. Yes, sir.

Q. And have been ever since?

A. Yes, sir.

Q. Have you any knowledge of the ordinance of the city of New Orleans, known as No. 909 of the council series, referring to this act No. 56 of the acts of 1884?

A. Yes, sir.

Q. Do you know by whom that ordinance was introduced?

A. I really do not remember. It might have been by myself. I do not remember; but some member of the council. I do not think I offered it, but it was offered.

Q. When did you first have a knowledge of that ordinance?

A. The first night if was offered.

Q. Do you know if that ordinance was drawn up by any one; and, if so, by whom?

A. I cannot say by whom it was drawn up, because I might say half of the ordinances offered in the council are prepared by some friend of the council to whom they look for legal advice.

Q. Was there any one or more persons prompting that act through the council?

A. I saw persons advocating the passage of the ordinance before the committee of which I was a member.

Q. Who were these persons?

A. I saw Mr. Gardner, of the water works Co., and his attorneys; whether Mr. Butler or Mr. Blanc I do not know which to-day; they were advocating the ordinance before the committee, as is usually the case.

448 Q. Did you have anything to do with the contract before Joseph D. Taylor, notary public, made under that ordinance 909, council series?

A. I cannot answer that question positively, because I do not know if at that time Mr. Moon's ordinance requiring all ordinances to be laid upon the desks of the members was passed. As a rule, they were paid on the desks of the members, and they order- the contract to be made. *It if* was not done at that time I had nothing to do with the contract, because I could not have anything to do beyond that vote in the committee to which it would be sent.

Q. Had you anything to do at that time with the making of that contract?

A. I certainly knew that it followed the passage of the ordinance, as a matter of course.

Q. Do you know who drew up that contract?

A. The city notary public, of course, as far as I have knowledge goes. I know nothing beyond it. I take it for granted that he drew it. The contract, in fact, is nothing but the recital of the ordinance. Is not that so?

Q. Do you know, or is it a fact, that the water works Co. had anything to do with the passage of the ordinance No. 909?

A. Nothing beyond their appearance before the committee, and then, like every claimant before the city, advocating their cause.

Q. Do you know whether they were active with the members of the council in trying to secure its passage?

449 A. Certainly not with me.

Q. I say with the members of the council.

A. Well, I never saw them.

Q. Is there any mode or custom or routine pursued by the city when the city wants any legislation in its interest before the General Assembly as regards applying for legislation or entrusting it to any individual or committee?

A. Well, I know of only one attempt. At my solicitation once the council appointed a committee, to be styled the "legislative committee," to go to Baton Rouge and solicit the passage of certain acts. None of the members of that committee ever went to Baton Rouge. I know that some members of the council went there, but they went there as individuals and not as the representatives of the council.

Q. Do you know of any such instance where the city of New Orleans applied for special legislation since the new constitution?

A. Yes, sir; I myself introduced a resolution, which was unanimously passed by the council, asking the Legislature to pass certain measures.

Q. Did they give notice of it in the papers?

A. Yes, sir; it was published.

Q. Do you know of more than that one instance?

A. No, sir; because there was only one session of the Legislature held after we became cognizant of the affairs of the city. The Legislature set about the same time as we did after we went into office.

450 Q. Can you state whether that is the regular way?

A. That is the only way I know of, the way by which we proceeded.

Q. Was it by resolution offered in the council?

A. Yes, sir; I know we went further than that. I know we solicited a conference with the members of the Legislature; that was held in the council-room, all the members present.

Q. Was there any such method pursued by the city of New Orleans to get act No. 56 of the General Acts of 1884 passed?

A. Not to my knowledge.

The solicitor for the complainant objects to the question and the answers in this deposition for the reason that they relate to no matter or issue pertinent to the controversy in this action.

NEW ORLEANS, *January* 10, 1888.

NEW ORLEANS WATER WORKS CO.
vs.
SOUTHERN BREWING CO. } No. 11351.

Examination resumed for the defendant, both counsel present.

Dr. JOSEPH JONES, sworn and examined for the defendant, says:

By Mr. GOLDTHWAITE:

Q. Did you ever make a chemical examination of the water of the Mississippi river?

A. Yes, sir; I have.

Q. Did you ever make any report on the chemical examination that you made?

451 A. I stated the results. I do not know whether you would call it a report or not. Some of it was stated in one of my reports to the board of health.

Q. When the water of the Mississippi river is first drawn from the river what appearance does it present?

A. It depends somewhat on the stage of the river. In high water it always presents a muddy, tawny appearance. It may vary in appearance according to the height of the river. I have rarely ever seen it present any but this appearance.

Q. What is that due to?

A. It is due to finely divided mineral matter, silicate acid, or silicates, resulting from the abrasion of the continent by the various streams of water that divide the Mississippi as well as its banks.

Q. After standing what appearance does it present?

A. After standing a sufficient length of time it presents a moderate dull color, and then a milky appearance.

Q. As it is first drawn from the river is the water fit for use?

A. It is fit for extinguishing fires and for certain other purposes, as raising steam, but not for drinking purposes.

Q. How is it with regard to manufacturing purposes?

A. The great objection to it in manufacturing, so far as my knowledge extends, is the caking of boilers with mud or this finely divided mineral matter, which you might classify under the general term as finely divided sand. I have examined it under a

452 microscope and found it to contain minute fragments of silicate, and in manufacturers requiring filtered water it would not do; it would vitiate any project of that kind, in my opinion.

Q. What is the effect of distilling or cooking upon the water?

A. In distillation you would get the pure water from it, but the solid matter would be left in the still. It would form a kind of crust, which, I think, is one of the main causes of explosions on the Mississippi river, where they use unfiltered water. I do not say that this is one of the absolute causes, but it is one of the aggravating causes of these accidents.

Q. After the water is first drawn from the river and before it could be fit for use in manufacturing purposes or for drinking purposes is

or is it not necessary that the water should undergo filteration or purification?

A. Filteration or settlement. I have always advocated the building of large basins above Carrollton, where we would get the water free from filth and where the water could settle up there before using.

The solicitor for the complainant objected to the several questions and answers as being irrelevant and not pertinent to any matter or issue in this action.

Cross-examination.

By Mr. BECKWITH:

Q. Is there any material difference, in your opinion, in the character of the water that would be taken from the river at the site of the New Orleans water works and the water taken from the
453 river at where the prolongation of St. Louis street would reach the river?

A. As a matter of course, I should say there would be some difference, depending on the offal of the shipping and the discharge of the Charity Hospital and the hotels of late years, the foecal matter.

Q. Where would you expect to get the best water?

A. At Carrollton, above the city, entirely.

Q. But as to the two localities that I speak of.

A. At the water-works site, because it is above the discharge of the Charity Hospital and these other hotels and the shipping, of course.

By Mr. GOLDTHWAITE:

Q. With regard to the water at St. Louis street or anywhere below the discharge of the Charity Hospital and the hotels, if the water drawn from these localities were to be purified or filtered, would the discharge from the Charity Hospital or the hotels affect it materially?

A. I think it might under circumstances. I believe that science would be capable of filtering it properly, but in the event of a cholera epidemic and the discharges attendant upon the sickness of patients I think the Mississippi river would be a source of evil. I think that in previous time the cholera has spread here through the water. I do not say under the present water works, but, as far as I can look at the history of things, when they carried barrels of water round on the streets to sell.

454 Q. Was that from the river water generally or water from any locality?

A. I cannot say. New Orleans was a small place in 1832. It extended over a good portion of where the shipping lies, which was the second and the 1st district. The third district had also its quota of filth.

By Mr. BECKWITH:

Q. Is it not likely that the discharge of night soils, fœcal matter, and the general contents of privies would carry with it soluable salts of some kind that would become impregnant and congregate in solution in water?

A. Yes, sir; it carries the essential agents of disease, of microbes, which are very minute. We now look upon water analysis in order to determine the palatability or the drinking qualities of water, to microscopic examination rather than to chemical. Thus typhoid fever and cholera are supposed to be propogated by minute organisms.

Q. Would filteration as it is ordinarily carried on, by percolation, take out the soluable salts in solution and diffusion in water?

A. It would not take out the soluable salts to any extent, but it would depend somewhat upon the filteration—the character of it. It might not take out even these microbes, say, of cholera or typhoid fever, which we know to prevail very destructively in vaults,
455 villages where they use privies and wells.

Q. How would you filter water to get rid of the trace of uric acid?

A. Well, that is insoluable. It would take 15,000 parts cold water to dissolve it. I do not think anything would separate the ingredients of urine or uria.

Q. I speak of uric acid on account of its small solubility?

A. I think it would be easily separated, but it is insoluable in water.

Q. But I ask you with reference to the soluable portion—that which would dissolve?

A. Well, that would be difficult. The soluable part would only excrete about seven grains in 24 hours. It is one of the most insoluable substances known to man, and as soon as its temperature is changed it naturally precipitates.

456 *Extracts from the Minutes of the New Orleans Water Works Co., Marked "H." Offered with Defendant's Testimony.*

OFFICE OF NEW ORLEANS WATER WORKS CO.,
NEW ORLEANS, *Sept.* 27, 1884.

Extracts from minutes of a special meeting of the board of directors of the New Orleans Water Works Company held in the city of New Orleans, at the office of said company, on this 27th day of September, 1884.

Whereas ordinance No. 909, council series, adopted by the council of the city of New Orleans on September 23d, 1884, and approved by the mayor of said city on the 26th of September, 1884, has been promulgated and is now before this board for acceptance and to be a contract between the said New Orleans Water Works Company and the city of New Orleans during the term of the charter of the said company: Therefore—

1. Be it resolved—

That this the board of directors of said New Orleans Water Works Company do hereby accept the terms, conditions, and provisions of said ordinance No. 909, council series, all and singular, and as adopted and approved and promulgated and as written in words and figures following, to wit:

Ordinance copied *in extenso*. See page — of this Transcript.

2nd. Be it resolved further—

457 That said ordinance is hereby accepted, as above stated, to be and constitute a contract and agreement between said city of New Orleans and the New Orleans Water Works Company during the term and period of the charter of this said company, and the president of the said New Orleans Water Works Company be, and is hereby, authorized and directed to enter into and execute a notarial act of contract with the city of New Orleans, through its mayor, embodying said ordinance, and to carry out the same and these resolutions.

I certify the foregoing to be a true and correct copy and extract from the minutes of a meeting of the board of directors of the New Orleans Water Works Company held this day.

(Signed) L. H. GARDNER, *Sec'y.*

New Orleans, Sept. 27, 1884.

I certify the above and foregoing to be a true and correct copy of a resolution of the board of directors of the New Orleans Water Works Company, annexed to and made part of the contract entered into between the city of New Orleans and said New Orleans Water Works Company, passed before me, notary, on the 3d day of October, A. D. 1884.

New Orleans, May 19th, 1887.

[SEAL.] (Signed) J. D. TAYLOR, *Not. Pub.*

458 *Notice Marked "J." Offered with Defendant's Testimony.*

Notice is hereby given of the intention to apply to the General Assembly for an act or law to regulate the use by the people and municipalities or political corporation-, for public purposes or purposes of public institutions, of water pumped by or obtained from water works companies; to establish police supervision and rules relative thereto, and fix the conditions under which said water shall be taken, used, or supplied within the territorial limits of any municipality or corporation, whether supplied to the corporations or the people thereof.

N. O. WATER WORKS CO.

Before me, the undersigned authority, personally came and appeared Mr. S. S. Gregory, cashier of the Daily States, who, after being duly sworn, deposes and swears that the foregoing is a true copy of a notice published in the Daily States newspaper for a pe-

riod of thirty consecutive days, beginning on the 30th day of April, 1884; that the bill for publishing same was charged to and paid by the New Orleans Water Works Company of New Orleans on the 5th day of May, 1884, as appears by the books of this company.

S. S. GREGORY.

Subscribed and sworn to before me, a duly qualified notary public in and for the parish of Orleans, State of Louisiana, this 19th day of May, 1887.

[SEAL.] (Signed) J. D. TAYLOR, *Not. Pub.*

458½ No. 11351, offered by complainant.

Charter of the New Orleans Water Works Company.

459 Official.

Laws of the State of Louisiana.

Published by authority.

Extra session of 1877.

No. 33.] AN ACT

To enable the City of New Orleans to promote the public health and to afford greater security against fire, by the establishment of a corporation to be called the "New Orleans Waterworks Company;" to authorize the said Company to issue bonds for the purpose of extending and improving the said works, and to furnish the inhabitants of New Orleans an adequate supply of pure and wholesome water; to permit the holders of Waterworks bonds to convert them into stock, and to provide for the liquidation of the bonded and floating debt of the City of New Orleans.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana in General Assembly convened*, That a corporation be, and the same is hereby created, to be styled "The New Orleans Waterworks Company," the capital stock whereof shall consist of two millions of dollars, which shall be divided into twenty thousand shares of one hundred dollars each.

SEC. 2. *Be it further enacted, etc.*, That immediately after the organization of the said Waterworks Company, as hereinafter provided, it shall be required to issue to the City of New Orleans, stock to the amount of six hundred and six thousand six hundred dollars, as full paid, and not subject to assessment; and in addition thereto, one similar share for every one hundred dollars of Waterworks bonds which said city may have taken up heretofore and extinguished by payment, exchange or otherwise; and that the residue of
460 said capital stock shall be reserved for the benefit of all holders of Water-works bonds, to the extent of the amount now outstanding, who may elect to avail themselves of the provisions of this act; and the said Waterworks Company shall issue to the said

City of New Orleans, to be exchanged with the holders of said bonds, one share of full paid stock not subject to assessment, for each and every one hundred dollars of said Waterworks bonds; and the said bonds, as fast as surrendered and exchanged for stock as aforesaid, be cancelled; that for the purpose of effecting said exchange of outstanding Waterworks bonds for stock, as aforesaid, the City of New Orleans shall be entitled to all the certificates for the shares of said stock of said New Orleans Waterworks Company, and shall, by advertisement for six months in two newspapers in the City of New Orleans and two newspapers in the City of New York, give notice that it will exchange said stock at par for said Waterworks bonds at par, exclusive of the overdue coupons attached to said bonds, which shall constitute a separate demand against said city, and in case any of the said bondholders shall fail or refuse to avail themselves of this act within one year from the formation of said company, the said City of New Orleans shall not thereafter be required to make said exchange, but may retain the unused shares of stock for its own account and benefit, unless it shall prefer to continue to take up any of said outstanding bonds by exchange as aforesaid.

SEC. 3. *Be it further enacted, etc.*, That the said Waterworks Company shall be organized by the Mayor of the city, giving thirty days' notice that he will receive subscriptions of bondholders who may agree to exchange their bonds for stock as aforesaid; and the said city shall at once subscribe for stock to the amount of six hundred and six thousand six hundred dollars, and such further amount as shall equal the par value of any of said Waterworks bonds, which shall have been extinguished by said city; and as soon as, in addition to the subscription of said city, there shall be subscribers for an exchange of said bonds for stock to the extent of five hundred thousand dollars, and the said amount of bonds shall have been actually surrendered to and cancelled by the Administrator of Finance, the said subscribers shall assemble together, on a day to be named
461 by the Mayor, and shall elect a Board of Directors, to consist of seven persons, four of whom shall be designated by the Mayor, and the remaining three shall be elected by said subscribers, other than said city, from amongst themselves; and the persons thus designated and elected shall constitute the first Board of Directors, and shall continue in office until the first of July, eighteen hundred and seventy-eight, and the said Board shall elect one of their number as President.

SEC. 4. *Be it further enacted, etc.*, That as soon after the election of said Board of Directors as the City Council may determine, the Mayor of the city shall transfer, by notarial act, to said New Orleans Waterworks Company the Waterworks and all the property appurtenant thereto.

SEC. 5. *Be it further enacted, etc.*, That the said Waterworks Company shall own and possess the privileges acquired by the City of New Orleans from the Commercial Bank; that it shall have for fifty years from the passage of this act the exclusive privilege of supplying the City of New Orleans and its inhabitants with water from the Mississippi river, or any other stream or river, by means of pipes and

conduits, and for erecting and constructing any necessary works or engines, or machines for that purpose; that it may contract for, purchase or lease any land or lots of ground, or the right to pass over and enter the same from time to time as occasion may require, through which it may be necessary to convey the water into said city, or to distribute the same to the inhabitants of said city; and to construct, dig, or cause to be opened, any canals or trenches whatsoever, for the conducting of the water of the rivers from any place or places it may deem fit, and to raise and construct such dykes, mounds, reservoirs, as may be required for securing and carrying a full supply of pure water to said city and its inhabitants; to enter upon and survey such lands as it may think proper, in order to ascertain the best mode of furnishing a supply of water; to lay and place any number of conduits or pipes, or aqueducts, and to cleanse and repair the same, through or over any of the lands or streets of the city of New Orleans: *Provided*, the same shall not be an obstruction to commerce or free circulation; and also to have and use a common seal and alter the same at pleasure; to ordain and establish by-laws for its government and that
462 of its officers and employés, not repugnant to this Act and the Constitution of the State and of the United States, or the ordinances of the City of New Orleans.

SEC. 6. *Be it further enacted, etc.*, That on the first Monday of July, eighteen hundred and seventy-eight, and annually thereafter, an election for directors of said company, after ten days' notice of the same and place of holding the same, shall be held, at which election there shall be elected four Directors by all the stockholders other than the City of New Orleans; and the Mayor of the city, the Administrator of Waterworks and Public Buildings, and the Administrator of Finance of said city, shall be *ex-officio* Directors of said company; the said city, through its Mayor and Administrators, shall have the right to vote at the election of Directors, and at all meetings of said stockholders, in the same manner as any other stockholders. That at all elections and all meetings of stockholders each share of stock shall be entitled to one vote. The directors elected shall serve for one year, and shall hold their offices until their successors are appointed; and no failure to elect directors at the time designated, shall prevent the Board of Directors from fixing another day for holding the election; and in case of vacancy in the Board of directors, occasioned by death, resignation or absence from the State, or other cause, the Board of Directors may fill such vacancy for the remainder of the year.

SEC. 7. *Be it further enacted, etc.*, That the stock owned by said City of New Orleans in said Waterworks Company, shall not be liable to seizure for the debts of said city.

SEC. 8. *Be it further enacted, etc.*, That the stock of said Waterworks Company may be increased to two millions of dollars, for the purpose of enabling said company to improve, enlarge and extend its works: *Provided*, that the new or increased stock shall be paid for in cash or in work done for the company; and in case of non-pay-

ment of instalments on stock subscribed for, the same may be forfeited to the use of said company.

SEC. 9. *Be it further enacted, etc.*, That the Board of Directors of said company shall have power, in addition to the authority to increase its capital stock, to borrow money for the purpose of improving and enlarging its works, and increasing the supply of
463 pure water; and to accomplish this purpose, the said Board of Directors are hereby authorized to issue the bonds of the company to an amount not exceeding two millions of dollars, in such sums, on such terms, and bearing such rate of interest as said Board may determine, and the payment of said bonds, in principal and interest, may be secured by a mortgage of all the property and franchises of said company, including its franchise to be a corporation, and said mortgage may include the property and franchises of said company, acquired or to be acquired, and the registration of said mortgage in the office of the Recorder of Mortgages for the Parish of Orleans, shall operate on the property and franchises of said company, wheresoever situated, and shall be and continue a valid and subsisting mortgage until the payment of the debt secured by it, without reinscription: *Provided, however*, that no bond shall be issued, or mortgages given, without the consent of the Council of the city of New Orleans, and said bond shall not be sold or disposed of except on such terms as shall be approved by said Council of said city.

SEC. 10. *Be it further enacted, etc.*, That said company shall not declare or pay any dividends, except in cash, and then only out of the net semi-annual or annual receipts, after payment of expenses of operation, and the interest on its bonded debt, nor shall any dividends be declared until the contemplated works are completed and in use.

SEC. 11. *Be it further enacted, etc.*, That the city of New Orleans shall be allowed to use water from the pipes and plugs of said company now laid, or hereafter to be laid, free of any charge, for the extinguishment of fires, cleansing of the streets, and for the use of all public buildings, public markets and charitable institutions, and that the said company shall place, free of any charge, whatever, two hydrants of the most approved construction in front of each square, where a main pipe shall be laid at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn for the extinguishment of fires, for watering the streets and cleansing the gutters, and for any other public purpose; that on the squares which do not front on the river the hydrants shall be placed on opposite sides of the streets, at an equal distance
464 from each other and the corners. It shall be the duty of the said company, whenever main pipes shall be laid, to supply water for all the purposes herein mentioned at all times during the continuance of this charter; and in consideration thereof the franchises and property of said New Orleans Waterworks Company, used in accordance with this act, shall be exempt from taxation—State, municipal and parochial.

SEC. 12. *Be it further enacted, etc.*, That the said Waterworks Com-

pany shall have the right in the City of New Orleans and its suburbs and adjoining lands, to use the streets and public places for the purpose of laying pipes and hydrants to run water: *Provided*, that said streets shall not be obstructed longer than necessary for such purpose, or for making repairs, and that said streets shall be restored to the same condition they were in as soon as practicable, by the said company, under the supervision of the City Surveyor. In case the said Waterworks Company shall require any lot of ground in the City of New Orleans, or any lot of ground or quantity of land situated in any parish of this State, for the purpose of constructing reservoirs or other works, or for the purpose of laying pipes to conduct water to the City of New Orleans, and shall not be able to agree with the proprietor or proprietors of said lot of ground or land, the said company shall have power to cause the same to be expropriated in pursuance of the general laws on the subject of expropriation for works of public utility now in force, or which may hereafter be enacted, and if the object of said company be merely to lay pipes through a piece of land or lot of ground, the expropriation shall be confined merely to the servitude it may require, and not to the rights of absolute ownership.

SEC. 13. *Be it further enacted, etc.*, That the said Waterworks Company, immediately after its organization, shall proceed to the erection of new works and pipes sufficient in capacity to furnish a full and adequate supply of water, to be drawn from the Mississippi river, or elsewhere, as may be judged most expedient; that said new works and pipes shall be commenced within twelve months from the passage of this act, and shall be year by year completed, so that, within five years from the date of this act, they shall be completed so as to give an adequate supply of water to the people of the
465 City of New Orleans, exclusive of the Fifth District. If said work be not done as above prescribed, said corporation shall forfeit all exclusive privileges granted herein, and the city shall have a right to contract with any one else for a supply of water as above provided, and to expropriate the property of the corporation hereby created. After the completion of the new works and pipes, the said company shall, from time to time, as the wants of the population may require, and when the estimated revenue on the cost of such extension shall equal ten per centum, extend their works throughout the entire limits of the city and suburbs, and any future extension of said city; and any failure by said Waterworks Company to comply with this provision shall work a forfeiture of this charter.

SEC. 14. *Be it further enacted, etc.*, That the City of New Orleans, through its Council, shall have authority to apply the stock subscribed for by said city, as herein provided, to the reduction of the bonded or floating debt of the said city, on such terms of adjustment as may be agreed upon between the City Council and the holders of such bonded or floating debt: *Provided*, said stock shall not be sold at less than par, and that when sold for obligations of the city, it shall only be under sealed proposals, after not less than fifteen days' advertisement

in two daily papers, to the bidder who shall offer said obligations at the most advantageous rate, the Council reserving the right to reject any and all bids.

SEC. 15. *Be it further enacted, etc*, That the said Waterworks Company shall have the right to fix the rates of charges for water: *Provided,* that the net profits of the company shall not exceed ten per cent. per annum, and shall publish sworn annual statements of its business and condition; and that the City Council shall have the power to appoint a committee, of not less than five, who shall have access to the books of the said company, and make such extracts from the same as they may deem necessary, and in case the said profits shall exceed ten per cent., the City Council shall have the right to require said company to reduce the price of water in such manner, and in such a proportion, that the profits shall never exceed the above named rates: *And provided further*, that the rates charged shall never exceed those now paid by the city, and
466 in case said company shall refuse compliance, the demand of said city may be enforced by a writ of mandamus.

SEC. 16. *Be it further enacted, etc.*, That if any person or persons shall obstruct the said company, their successors, agents, workmen or servants, in conveying the said water into the said city and its suburbs, or shall change, alter, remove, injure or destroy any work or part of a work made by the said company, or cause to be made, for the purpose of introducing water into the City of New Orleans, under the authority of this act; or if any person shall alter, change, or pollute the water or stream which the said company shall hereafter introduce, or be preparing to introduce, such person or persons shall be indicted in the proper court for the trial of such offense, and being thereof convicted, shall be fined at the discretion of the court, according to the nature of the offense, and imprisoned for a term not exceeding seven years, such fine to be paid and applied to the use of said company.

SEC. 17. *Be it further enacted, etc.*, That until other works are constructed by which the present works may be dispensed with, the same shall remain under the control of the City Council, and the superintendence thereof remain in the hands of the Administrator of Waterworks and Public Buildings; but the said company shall be authorized to collect the revenues thereof and apply them to the expense of operating and extending the works. At the expiration of fifty years from the organization of the company, the city shall have a right to buy the works, conduits, pipes, etc., of the company, at a valuation to be fixed by five experts: two to be named by the city, two by the company, and the four to select the fifth expert; but should the city neglect or refuse to purchase said works, etc., as above provided, the charter of the company shall be *ipso facto* extended for fifty years longer, but without any exclusive privilege or right to supply water, according to the provisions of the charter.

SEC. 18. *Be it further enacted, etc.*, That nothing in this act shall be so construed as to prevent the City Council from granting to
467 any person or persons, contiguous to the river, the privilege

of laying pipes to the river, exclusively for his own or their own use.

(Signed) LOUIS BUSH,
Speaker of the House of Representatives.

(Signed) LOUIS A. WILTZ,
Lieutenant Governor and President of the Senate.

Approved March 31, 1877.

(Signed) FRANCIS T. NICHOLLS,
Governor of the State of Louisiana.

A true copy:
WILL. A. STRONG,
Secretary of State.

No. 43.] AN ACT

Relative to the Charter of the New Orleans Waterworks Company and amending an Act Number Thirty-three of Extra Session of eighteen hundred and seventy-seven (1877), approved March 31st, 1877.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana in General Assembly convened*, That, at the election to be held on the first Monday of July, eighteen hundred and seventy-eight (1878,) and annually thereafter, for directors of the New Orleans Waterworks Company, the stockholders of the said New Orleans Waterworks Company shall elect four directors; but the city of New Orleans shall not vote at said elections, she being already fully represented, for the amount of her stock, by the mayor of the city, the administrator of waterworks and public buildings, and by the administrator of finance, who are *ex-officio* Directors of said company.

SEC. 2. *Be it further enacted, etc.*, That section ten (10) of said Act Number Thirty-three (No. 33,) of Extra Session of the year eighteen hundred and seventy-seven (1877,) be amended and re-enacted so as to read as follows: "That said company shall not declare or pay any dividends except in cash, and then only out of the net semi-annual or annual receipts after payment of expenses of operation, and gradual extension, and the interest on its bonded debt."

SEC. 3. *Be it further enacted, etc.*, That section seventeen (17) of aforesaid act be amended and re-enacted so as to read as follows: "That at the expiration of fifty years from the organization of the company, the city shall have a right to buy the works, conduits, pipes, etc., of the company, at a valuation to be fixed by five experts: two to be named by the city, two by the company, and the four to select the fifth expert; but should the city neglect or refuse to purchase said works, etc., as above provided, the charter of the company shall be, *ipso facto*, extended for fifty years longer, but without any exclusive privilege or right to supply water according to the provisions of the charter."

SEC. 4. *Be it further enacted, etc.*, That the time allowed to the said New Orleans Waterworks Company to commence and proceed to

468

the erection of new works and pipes (as contemplated by said Act Number Thirty-three,) (No. 33,) shall commence six months after the organization of said company, and not from the date of the passage of said act.

SEC. 5. *Be it further enacted, etc.*, That the full, complete and adequate supply of water referred to in section thirteen (13) of said Act No. 33, shall be so construed as to require a supply of water at the height of not less than fifteen (15) feet from the ground wherever the pipes of the waterworks now exist.

SEC. 6. *Be it further enacted, etc.*, That the word "State" in section eleven (11) of said Act No. 33 of 1877, and in the last line thereof, be stricken out, so that the said company shall not be exempt from state taxation.

SEC. 7. *Be it further enacted, etc.*, That all laws or parts of laws contrary to the provisions of this act, or in conflict therewith, are hereby repealed to the extent that they do conflict, and that this act shall take effect from and after its passage.

(Signed) LOUIS BUSH,
Speaker of the House of Representatives.

(Signed) LOUIS A. WILTZ,
Lieutenant Governor and President of the Senate.

Approved February 26, 1878.

(Signed) FRANCIS T. NICHOLLS,
Governor of the State of Louisiana.

A true copy:
WILL A. STRONG,
Secretary of State.

469 AN ACT

To incorporate the Commercial Bank of New Orleans.

Whereas, sundry inhabitants of the City of New Orleans have petitioned this General Assembly, setting forth that they are desirous of establishing a Company in the City of New Orleans, invested with banking privileges, and to be entitled the "Commercial Bank of New Orleans:" the chief object of which said Company, is to be the conveying of water from the river into the City of New Orleans and its faubourgs, and into the houses of its inhabitants. *And whereas*, the said object will greatly contribute to the security of the said City from fire, and to the health and convenience of the inhabitants, and the agricultural and commercial interests of this State may be greatly promoted by extending to said Company the privileges required, *therefore*,

* * * * * * * *

SECT. 4. *Be it further enacted, &c.*, That all such persons as shall become subscribers to said company, their successors and assigns, shall be and are hereby created and made a corporation and body politic, by the name and style of the *Commercial Bank of New Orleans*, and by that name shall be and are hereby made capable in law, to have, hold, purchase, to receive in payment of debts, possess,

enjoy, and retain, to them and their successors, property and estate of what nature, kind, or quality soever, or so far as is necessary to carry into complete effect the object of this charter, which is declared to be the furnishing of the city with good and wholesome water; and the same to alien, transfer and dispose of, to sue and be sued, plead and be impleaded, answer and be answered, defend and be defended, in any court or courts of record, or other place whatsoever; to have forever the exclusive privilege, from and after the passing of this act, of supplying the city and inhabitants of New Orleans and its faubourgs, with water from the river Mississippi, by means of pipes or conduits, and for erecting, constructing, or working of any necessary engine; and they may contract for, purchase or lease, the right to enter and pass through, from time to time, as occasion may require, any lands or grounds through which they may deem it necessary to convey the said water into said
470 city and its faubourgs; and to construct, dig, or cause to be opened, any canals or trenches whatsoever, for the conducting of the water of the river from any place or places that they may deem fit, and to raise and construct such dykes, mounds, or reservoirs, as they may judge proper, for securing and conveying such supply of water, as aforesaid, to the said city and the faubourgs thereof; and to survey such lands as they may think proper, in order to ascertain the best mode of furnishing such supply, and to lay and place any number of conduits, pipes, and aqueducts, and to cleanse or repair the same, through or over any of the lands or streets of the city of New Orleans and its faubourgs; and also to have and use a common seal, and the same to break, alter and renew at pleasure; and also, through their president and directors, to ordain, establish, and put in execution, such bye-laws, ordinances and regulations as shall seem necessary and convenient for the government of said corporation, not being contrary to this act, nor to the constitution and laws of the United States, or of this State, or ordinances of the city council of New Orleans; and generally, to do and execute all such acts, matters and things, as to them shall or may appertain to do; subject, nevertheless, to the rules, regulations, restrictions, limitations and provisions hereinafter specified and declared. *Provided however*, that at any time after the expiration of thirty-five years from the passage of this act, it shall be lawful for the corporation of the city of New Orleans to purchase from the Commercial Bank of New Orleans, the water works constructed by said company in virtue of this act—and said company shall not refuse to sell the works aforesaid, with all the rights and privileges appertaining to the same, on the terms hereinafter provided.

* * * * * * * *

SECT. 11. *Be it further enacted, etc.*, That said company shall, within twelve months after the first election of directors, commence works, and commence to procure such materials, as may be necessary to enable them to furnish the inhabitants of the city of New Orleans and its faubourgs, with sufficient water from the river at all seasons of the year; and in order that the true intent and meaning of this

act be strictly adhered to and complied with, and that the
471 waterworks, contemplated to be constructed by said company, be completed in the shortest time practicable, under all the circumstances, the sum of at least one hundred thousand dollars shall be expended, on the works aforesaid, annually, until the said company is in a situation to supply, and actually do supply, water to the greater part of the streets of the city proper, and the principal and most populous streets of the faubourgs—said expenditure to commence within one year after the passage of this act—so that the city of New Orleans and the faubourgs thereof, may be furnished with water in the streets, and such inhabitants may procure it by means of conduits or pipes, within their houses and lots, at a price to be regulated by the company; and should the said company fail or neglect either to commence or continue said works as aforesaid, then, and in such case, the charter now granted shall be wholly null and void; *provided, however*, that the net profits on the same shall not exceed an interest of fifteen per centum per annum, from the time of disbursements on said works; and at such times as dividends shall be declared by the bank, say semi-annually, the interest on the sum expended in constructing said waterworks shall be added thereto, and shall form a part of the capital invested, until the net revenue of said works amount to fifteen per centum as aforesaid; *and provided also*, that the City Council of New Orleans shall have the power annually to appoint a committee, who shall have access to such of the books of said bank as relate to the said Waterworks Company, and may make such extracts from the same as they may think necessary; *and provided further*, that at the end of five years after the first appropriation, the said net profits shall not exceed ten per cent.—and in case said profits should exceed fifteen per centum during the first five years and ten per centum afterwards, as provided for in this section, the City Council shall have the power to reduce the price of water, in such a manner and in such a proportion, that the profits should never exceed the above mentioned rates.

* * * * * * *

SECT. 21. *Be it further enacted, etc.*, That within the first thirty days that the books are opened for subscription, the corporation of the city of New Orleans may subscribe for five thousand shares of the capital stock of said company, not subject to deduction; and
472 for which the said company may receive the bonds of the mayor, aldermen and inhabitants of New Orleans, redeemable in forty years, bearing an interest not exceeding five per centum per annum, payable half yearly.

SECT. 22. *Be it further enacted, etc.*, That if, agreeable to the twenty-first section of this act, the corporation of the city of New Orleans shall subscribe for five thousand shares of the capital stock of the Commercial Bank of New Orleans, then, and in that case, the City Council of New Orleans shall annually elect, by ballot, from the mayor, recorder and aldermen of said Council, two persons, who shall be members of the Board of Directors; and the stockholders shall only elect eleven instead of thirteen directors, as provided for in the

third and sixth sections of this act, in which election the said City Council shall not vote as stockholders; *provided*, that nothing herein contained shall be so construed as in any manner to impede, diminish or impair, the rights and powers granted to the City Council of New Orleans, and to the committee to be appointed by them annually, by virtue of the eleventh section of this act.

SECT. 23. *Be it further enacted, etc.*, That the provisions of the thirteenth section of this act, relative to half yearly dividends, shall not be so construed as to apply to the stock, subscribed for and owned by the corporation of the city of New Orleans; the dividends arising from the shares so owned shall be applied, first, to the payment of the interest on the bonds given to the Commercial Bank of New Orleans for the stock subscribed by the said corporation, and the surplus shall be passed to the credit of the said corporation, half yearly, at such times as dividends are payable to other stockholders, to be set apart as a sinking fund, applicable alone to the payment of the bonds of said corporation, when they shall become due, and the said corporation shall be allowed an interest of five per centum per annum on the same by the Commercial Bank of New Orleans.

SECT. 24. *Be it further enacted, etc.*, That if the corporation of the city of New Orleans shall fail to subscribe for five thousand shares of the capital stock of the Commercial Bank of New Orleans, within the first thirty days the books are opened for subscriptions, the 473 twenty-first, twenty-second and twenty-third sections of this act shall be considered null and void, and of no effect.

* * * * * *

SECT. 33. *Be it further enacted, &c.*, That in the city of New Orleans, its suburbs, and adjoining lands laid out in town-lots, the company shall have the power of using the streets and public places, for the purpose of placing pipes to run the water: *Provided*, they do not obstruct the said streets longer than will be absolutely necessary for the said purpose, or for making any repair; *and provided* they restore the said streets to the same condition they were before in as short a time as possible; that within the said limits, it shall not have power to place any pipe, or do any work upon any lot of ground, without the consent of the owner; and that out of the said city, its suburbs, and the lands laid out in town-lots, if the said company shall not be able to agree with the proprietor or proprietors of lots of ground through which it may be necessary to run the water, through pipes or otherwise, as the directors may deem expedient, for the purpose of introducing water into the said city and its faubourgs; or if such owner or owners shall be absent out of the State, or unknown, or shall, from incapacity, legal or otherwise, be precluded from making any contract or agreement in relation thereto, it shall and may be lawful, on the application of the president and directors of the Commercial Bank of New Orleans, for the judge of that judicial district of Louisiana wherein the city of New Orleans is, or may be hereafter, situated, to issue his warrants to the sheriff of the parish of Orleans, commanding.

* * * * * * *

SECT. 36. *Be it further enacted, &c.*, That if any person or persons shall obstruct the said company, their successors, agents, workmen or servants, in conveying the said water into the said city and its faubourgs, or shall change, alter, remove, injure or destroy, any work or part of a work made by the said company, or caused to be made, for the purpose of introducing water into the city of New Orleans and its faubourgs, under the authority of this act; or if any person shall alter, obstruct, change or pollute, by any tan-yard, hog-stye, slaughter-house, dye-pot, or otherwise, the waters or streams
474 which the said company shall hereafter introduce, or shall be preparing to introduce into the city of New Orleans and its faubourgs, under the authority given and regulations prescribed by this act, such person or persons shall be indicted in the proper court for the trial of offences within the parish of *New* Orleans committed, and being thereof convicted, shall be fined at the discretion of the court, according to the nature of the offence, and imprisoned for any time not exceeding seven years; such fine to be paid and applied to the use of said company.

* * * * * * *

SECT. 38. *Be it further enacted, &c.*, That the corporation of New Orleans shall be supplied by the said company, free of charge, with all water necessary for the extinguishment of fires and other public purposes; nor shall the city council be subjected to any charge for water furnished to supply the gutters of the said city and faubourgs; and that the said company, as they progress in laying acqueducts, shall place, free of any charge whatever, two hydrants of a proper construction, in front of each square, at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn, for extinguishing fires, for wetting, washing and watering the streets and gutters, and any other public purpose; that on the squares which do not front on the river, the hydrants shall be placed on opposite sides of the streets, at an equal distance from each other and the corners; that the said hydrants shall be of a proper size and made so as at all times to furnish water for the fire engines, and purposes herein mentioned: it shall further be the duty of said company, to supply water for all the purposes herein mentioned, at all times, during the continuance of this charter, unless prevented by some unavoidable accident; and in case such shall occur, the repairs shall be made and the water again furnished at the expiration of the necessary delay; and the said company shall supply a sufficient quantity of clear, pure and wholesome water for the use of the inhabitants, within the limits aforesaid, at the elevation of fifteen feet, when the same may be required. *Provided however*, that said hydrants shall be under the control of the Commercial Bank.

* * * * * * *

SECT. 41. *Be it further enacted, &c.*, That the second section
475 of this act shall not be so construed as to apply to the payment of ten dollars per share *at the time of subscribing*, on the stock subscribed for by the City Council of New Orleans. But said corporation shall, within thirty days from the organization of the

first board of directors of the Commercial Bank of New Orleans, execute in the form required by the directors, the bonds of the mayor, aldermen and inhabitants of New Orleans, to the order of the president and directors of said company, for the full amount of stock subscribed by the corporation aforesaid, say five hundred thousand dollars, bearing an interest of five per centum per annum, payable in forty years, the interest on said bonds to be paid semi-annually; and should the bonds taken by said company, from the corporation aforesaid, be sold at a premium, such premium or excess, over and above their par value, shall form a part of the sinking fund, as provided for in the twenty-third section of this act.

SECT. 42. *Be it further enacted, etc.*, That when, after the expiration of thirty-five years, the said corporation of New Orleans shall be inclined to buy the said waterworks from the Commercial Bank of New Orleans, the price shall be fixed by arbitrators, five of whom shall be chosen by the president and directors of the Commercial Bank of New Orleans, and five by the City Council of New Orleans; said arbitrators not to be stockholders in said company, nor members of the City Council of New Orleans. Said arbitrators shall take into consideration the *value* of the waterworks and grounds appertaining thereto, for supplying the city and faubourgs of New Orleans with water by the said company; and if they agree, and so report, in *writing*, their award shall be binding on the respective parties. But in case of disagreement, the judge of the judicial district court in which the said waterworks are situated, shall appoint as umpires, five disinterested individuals as above, whose decision and award, *in writing*, reported to the judicial district court aforesaid, shall be binding and conclusive. And the amount so agreed upon shall be payable in the bonds of the mayor, aldermen and inhabitants of New Orleans, bearing an interest of five per centum per annum, interest payable thereon semi-annually, and redeemable in not less
476 than ten, nor more than thirty years from the day on which said award shall be signed, and the said waterworks delivered over to the said corporation of New Orleans.

SECT. 43. *Be it further enacted, etc.*, That in case the mayor, aldermen and inhabitants of New Orleans shall deem it unadvisable or inexpedient to purchase the said waterworks from the Commercial Bank of New Orleans, as provided for in sections four and forty-two, and so notify the Commercial Bank of New Orleans thereof, at any time within eighteen months thereafter, the bonds given by the mayor, aldermen and inhabitants of New Orleans, for the amount of stock owned by the corporation of New Orleans, shall be renewed by the Commercial Bank of New Orleans for twenty-five years, on the same terms and conditions as provided for in sections twenty-one and forty-one of this act; *provided, however*, the amount formed by the sinking fund herein provided, shall be applied to the payment of said bonds, as far as it will go, and the bonds only renewed for such balance as may not be made up by the sinking fund aforesaid.

SECT. 44. *Be it further enacted, etc.*, That the corporation of New Orleans shall and may continue to make use of the waterworks now

owned by the said corporation, for supplying the city with water, until the Commercial Bank of New Orleans shall be so far advanced with the works contemplated by this act, as will enable them to furnish water in such parts of the city as are now supplied by the works at present in operation; or until, by the progress of the waterworks so to be constructed, it may become necessary to remove the pipes at present in use, should such removal be found necessary.

SECT. 45. *Be it further enacted, etc.*, That the said company, in constructing the waterworks aforesaid, shall purchase from the mayor, aldermen and inhabitants of New Orleans, the pipes already laid down by said corporation, at such price as may be agreed upon by seven arbitrators, of whom the superintendent of the works proposed to be constructed shall be one, and three to be chosen by the president and directors of the Commercial Bank of New Orleans, and three by the City Council of New Orleans, whose award, as to the *value* of said pipes, for the use of said company, shall be final.

477 SECT. 46. *Be it further enacted, &c.*, That it shall be the duty of the said Bank, to sell to the best advantage, the bonds received of the mayor, aldermen and inhabitants of the city of New Orleans for their subscription, and to contract for the payment of the interest thereof, at such place or places as the president and directors may deem expedient. *Provided* that any additional charge, loss or exchange, or other expenses, consequent upon the sale of the bonds, or payment of such interest in any other place than New Orleans, shall be wholly defrayed by the Bank.

SECT. 47. *Be it further enacted, &c.*, That during the first term of thirty days in which the subscription books shall remain open, as provided for in section first, no person shall be allowed to subscribe, who is not a citizen of the United States and a resident of this State, of which facts the commissioners shall be the sole judges; and that all subscriptions shall be made in person, or under a notarial power, executed by not more than three persons. *Provided, however*, this section shall not be so construed as to prevent subscriptions, after the first term of thirty days, either in person or by proxy, should the books be re-opened. And that no individual, commercial firm or corporation, shall be allowed a greater number of votes than one hundred, for the election of directors of said Bank, either by proxy or otherwise, in his, her or their name.

SECT. 48. *And be it further enacted, &c.*, That the president and directors of the Commercial Bank of New Orleans may, at such time as they may deem it expedient, establish agencies at such places as they may think proper, for the purchase of bills of exchange and sale of Bank checks; and may appoint such officers as they may think proper for the administration of the same.

(Signed) ALCEE LABRANCHE,
Speaker of the House of Representatives.

(Signed) C. DERBIGNY,
President of the Senate.

Approved April 1, 1833.

(Signed) A. B. ROMAN,
Governor of the State of Louisiana.

478 *Hearing and Submission.*

Extract from the Minute Book, April Term, 1888.

NEW ORLEANS, SATURDAY, *May* 12, 1888.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge.
Hon. Edward C. Billings, district judge.

NEW ORLEANS WATER WORKS COMPANY
vs.
SOUTHERN BREWING COMPANY. } No. 11351.

This cause as continued from Thursday, the 10th instant, was this day resumed before their honors the circuit and district judges, and having been further argued by counsel for the complainant and the defendant was submitted and the court took time to consider.

Decree Dismissing Bill. Entered and Filed June 8, 1888.

U. S. Circuit Court. In Equity.

NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

479 This cause came on at this term for final hearing upon the bill and exhibits, answer and exhibits, and replication and proofs, and was argued by counsel for the respective parties and submitted. On consideration thereof, for the reasons in the written opinion filed herein, it is now ordered, adjudged, and decreed by the court that the injunction issued in this cause be dissolved and that said complainant's bill of complaint herein be, and the same is hereby, dismissed with costs.

June 8th, 1888.
(Signed) DON A. PARDEE, *Judge.*

Motion and Order for Appeal.

Extract from the Minute Book, April Term, 1888.

NEW ORLEANS, SATURDAY, *June 9th*, 1888.

Court met pursuant to adjournment.
Present: Hon. Don A. Pardee, circuit judge.
Hon. Edward C. Billings, district judge.

THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING CO. } No 11351.

480 On motion of J. R. Beckwith, solicitor for complainant, made at this April term of this court and in open court, it is ordered that the said complainant, The New Orleans Water

Works Company, be, and is hereby, allowed an appeal from the final decree herein against the said complainant as the same is of record in this court, returnable in the Supreme Court of the United States, at Washington, returnable in said court on the first day of the next October term *by* said court, upon the complainant giving bond with surety in the sum of five hundred dollars, conditioned as the law directs, and that the same operate — a supersedeas.

Bond for Appeal. Filed June 11, 1888.

UNITED STATES OF AMERICA:

Know all men by these presents that we, The New Orleans Water Works Company, principal, and Albert Baldwin, of the city of New Orleans, as surety, are held and firmly bound, jointly and severally, unto the Southern Brewing Company in the sum of five hundred dollars, lawful money of the United States of America, to be paid to the said Southern Brewing Company, its successors, heirs, executors, administrators, and assigns; for which payment, well and truly to be made, we bind ourselves and each of us by himself, and
481 each of our heirs, executors, and administrators, firmly by these presents.

Sealed with our seals and dated the 11th day of June, in the year of our Lord eighteen hundred and eighty-eight.

Whereas the said New Orleans Water Works Company having heretofore, to wit, on the 9th day of June, 1888, taken an appeal to the Supreme Court of the United States from and to reverse the decree rendered on the 8th day of June, 1888, by the circuit court of the United States for the fifth circuit, holding sessions in and for the eastern district of Louisiana, in the suit of The New Orleans Water Works Company, complainant, against the Southern Brewing Company, defendant, No. 11351 of the docket thereof:

Now, the condition of the above obligation is that if the above-bounden New Orleans Water Works Company shall prosecute its said appeal to effect and shall answer all damages and costs if it shall fail to make good its plea, then this obligation shall be void; otherwise to remain in full force and virtue.

THE NEW ORLEANS WATER WORKS CO., [L. S.]
By J. R. BECKWITH, *Sol.*
A. BALDWIN. [L. S.]

Signed, sealed, and delivered in the presence of—
J. R. BECKWITH.

Order on Minutes of Approval of Bond. Entered and Filed June 11, 1888.

Circuit Court of the U. S., Eastern District of Louisiana.

482 THE NEW ORLEANS WATER WORKS CO.
vs.
THE SOUTHERN BREWING COMPANY. } No. 11351.

The said complainant having produced to the court in open

court an appeal bond in the sum of five hundred dollars, with A. Baldwin as surety, on motion of J. R. Beckwith, solicitor for complainant and appellant, it is ordered that the bond be approved and filed, and that the appeal herein stand perfected.

483 UNITED STATES OF AMERICA:

Circuit Court of the United States, Fifth Circuit and Eastern District of Louisiana.

CLERK'S OFFICE.

I, Edward R. Hunt, clerk of the circuit court of the United States for the fifth circuit and eastern district of Louisiana, do hereby certify that the foregoing 482 pages contain and form a full, complete, true, and perfect transcript of the record and proceedings had, together with all the evidence adduced, on the trial of the case of The New Orleans Water Works Company *vs.* The Southern Brewing Company, No. 11351 of the docket of the said court.

Witness my hand and the seal of said court, at the city of New Orleans, this 31 day of July, A. D. 1888.

[Seal U. S. Circuit Court for the 5th Circuit & Eastern District of La.]

E. R. HUNT, *Clerk.*

I, Edward C. Billings, United States judge for the eastern district of Louisiana, do certify that Edward R. Hunt, whose name is signed to the above certificate as clerk of the circuit court of the United States for the fifth circuit and eastern district of Louisiana, was at the time of signing said certificate and is now the clerk of said court; that said certificate is in due form of law, and that full faith and credit are due to his official attestations as such clerk.

Given under my hand, at the city of New Orleans, in said district, this 31 day of July, A. D. 1888.

EDWARD C. BILLINGS, *Judge.*

484 *Opinions of Circuit and District Judges. Filed June* 7, 1888.

U. S. Circuit Court, Eastern District of Louisiana.

NEW ORLEANS WATER WORKS CO.
vs.
SOUTHERN BREWING CO.

SAME
vs.
PEOPLE'S ICE CO.

SAME
vs.
MCGINNIS OIL & SOAP WORKS.

Before the circuit & district judges. In equity.

PARDEE, *Judge:*

Assuming that the questions arising under the constitution, upon

which our jurisdiction rests, are to be decided in favor of the complainant, there remains the question of construction of complainant's charter and the general laws of Louisiana with reference to the right of the city of New Orleans, through its council, to grant licenses or permits to the defendants to lay pipes in and across the public
485 streets to their respective establishments for the sole purpose of supplying themselves respectively with water from the Mississippi river.

In the case of New Orleans Water Works *vs.* Crescent Sugar Refining Co and The City of New Orleans, 35 Ann., 1111, this question of the authority of the city of New Orleans under the complainant's charter and the laws of the State was presented to the supreme court of the State of Louisiana and was decided in favor of the right.

It is true that in the case the refining company, among other defences to the suit, set up that it was a contiguous person to the Mississippi river and therefore within the letter of the proviso in the 18th section of complainant's charter, but the court wholly ignored the contiguity defence, and based its judgment wholly upon the general law of the State and upon the construction and effect of the charter from the Legislature to the water works company and of the license from the city council to the refining company and in no degree upon the constitution or any law of the State subsequent to the water-works charter.

The case was carried by writ of error to the Supreme Court of the United States and there dismissed for want of jurisdiction, the court deciding that no Federal question was involved, the right of the city of New Orleans to grant the license complained of being wholly a question to be decided under Louisiana law.

See Sup. Ct. Rep., vol. 8, No. 22, p. 741.

The decision of the supreme court of the State was rendered in 1884.

486 In 1885 the precise question was before the Supreme Court of the United States in the case of New Orleans Water Works *vs.* Rivers, and was then decided in favor of the water works company, the court holding that an exclusive franchise granted to supply water to the inhabitants of a municipality by means of pipes and mains laid through the public streets is violated by a grant to an individual in the municipality of the right to supply his premises with water by means of pipes so laid.

Although the case of The Water Works Co. *vs.* Refining Co. was then pending on writ of error, and the counsel for the refining company submitted a brief in the Rivers case, in the decision no reference whatever is made to the decision of the supreme court of Louisiana upon this very question, conceded to be not a Federal question, but one wholly depending upon local Louisiana law.

See Water Works Co. *vs.* Rivers, 115 U. S., 674.

The question is thus squarely presented whether, in a matter involving solely Louisiana law, where no property rights under for-

mer decisions are involved, this court should follow the decision of the highest court of the State or the decision of the Supreme Court of the United States.

This same question was presented to the Supreme Court of the United States in the case of Fairfield *vs.* County of Gallatin, 100 U. S., p. 47.

In 1874, in the case of Railroad Co. *vs.* Pinkney, 74 Ill., 277, the supreme court of the State of Illinois gave a certain construction to a provision of the constitution of the State. About one year afterwards, in Town of Concord *vs.* Portsmouth, 92 U. S., 625,
487 the same constitutional provision came before the Supreme Court of the United States and received a contrary construction, the case of Railroad *vs.* Pinkney not being called *in* the attention of the court.

In Fairfield *vs.* County of Gallatin, *supra*, the same question was again brought before the Supreme Court of the United States, the defendant in error relying upon and the court below having followed Concord *vs.* Portsmouth, *supra*, and it was then held, reversing the circuit court and citing Polk's Lessee *vs.* Wendell, 9 Cranch, 87; Nesmith *vs.* Sheldon, 7 How., 812; Walker *vs.* State Harbor Commissioners, 17 Wall., 648; Elmendorf *vs.* Taylor, 10 Wheat., 152; Green *vs.* Neal's Lessee, 6 Pet., 291; Leffingwell *vs.* Warren, 2 Black, 599; Sumner *vs.* Hicks, 2d, 532; Olcott *vs.* Supervisors, 16 Wall., 678, and State Railroad Tax Cases, 92 U. S., 575, that it is the general rule of decision to follow and adopt the decisions of the State courts in the construction of their own constitution and statutes when that construction has been settled by the decisions of its highest tribunal, and that this rule of decision is to be followed even where the Supreme Court of the United States has given a different construction to the State law, provided no rights are affected which have been acquired under their former decisions.

See also Suydam *vs.* Williamson, 24 How., 427.

To the above general rule there are exceptions—*i. e.*, where rights of property have been acquired under former decisions of either the State or Federal courts, where on the same transac-
488 tions the Federal court has first passed and the decisions of the State court relied upon do not meet the independent judgment of the Supreme Court of the United States, and when general questions of commercial law are involved.

See Pease *vs.* Peck, 18 Howard, 595.
Morgan *vs.* Curtenius, 20 Howard, 1.
Thompson *vs.* Perrine, 103 U. S., 806.
Douglass *vs.* County of Pike, 101 U. S., 677.
Oates *vs.* Nat. Bank, 100 U. S., 239.
Burgess *vs.* Seligman, 107 U. S., 20.

In Pease *vs.* Peck and in the last-cited case it is intimated that the general rule should lose some of its regidity in cases involving controversies between citizens of different States.

In the cases now under consideration the parties complainant and

defendant are corporations deriving life entirely from the laws of Louisiana, and these causes are apparently brought in this court as arising under the Constitution of the United States, when the real question in issue is one not Federal, but arising solely in relation to the proper construction to be given to Louisiana laws, and where, if it is not the sole object, the main purpose is to escape the construction given by the supreme court of Louisiana to the laws of the State.

Heretofore in these cases, on motions for injunctions *pendente lite*, where the main question argued was whether the complainant's monopoly had been extinguished by the fact that the complainant had procured and accepted remedial legislation under the present constitution of the State (see Const. 1879, arts. 234 and 258),
489 and considering that under the charter to complainant the city was limited in granting permits to persons actually contiguous to the river, and that such contiguity was a question for the court to determine, we have followed the Rivers case and granted temporary injunctions in those cases where more than public ground separated the parties from the river.

But now it seems that in the courts the question of contiguity cuts no particular figure, but is decided by the city council when they grant or refuse a permit. In the Rivers case, as interpreted by the supreme court in Water Works Co. *vs.* Refining Co., *supre*, it was not in issue, and in the supreme court of the State the defense of contiguity was wholly ignored.

It can easily be inferred, from a close examination of the Rivers case, that the only questions there intended to be decided were whether the monopoly granted complainant in its charter was abrogated by the State constitution and whether the city of New Orleans could make the grant to Rivers by reason of such abrogation, and that the question whether under a fair construction of complainant's charter and the general laws of the State the city had the right to grant a license to a citizen to lay pipes to the river to supply himself with water for his private needs was not at all considered.

In a matter so important to the public, and where the action of the city council of New Orleans cannot be restrained, uniformity in the jurisprudence which determines the value of the permits or licenses granted is very desirable, and the rights of the party who receives a license should not wholly depend upon the
490 selection made by the water works Co. of the court (State or Federal) to hear the cause.

This desirable uniformity is better attained by following the long line of decisions of the Supreme Court of the United States declaring that the Federal courts should adopt and follow the decisions of the highest court of the State in the construction of its own constitution and statutes than in following one decision of the Supreme Court on what is now conceded not to be a Federal question.

As these cases are now presented to the court and upon final hearing, I am of the opinion that decrees should go for the defendants.

491 BILLINGS, *Judge:*

Complainant submits as *his* case that by the legislative action of

the State the obligation of *his* contract is impaired. In such a case I understand the Supreme Court of the United States recognize it as the constitutional mandate that that court shall by its own judgment interpret the contract and decide as to its being impaired. This, therefore, is not a case where the construction of a charter by the court of last resort of a State is necessarily a part of the charter and conclusively binding. The Federal court must still measure the obligation and the effect of the hostile legislation. Jefferson Branch Brook *vs.* Skelly, 1 Black, 436, 443.

In the case of Water Works Co. *vs.* Rivers, 115 U. S. R., pp. 674, 681, the Supreme Court have construed this charter in respect to the point here involved. While I agree with the circuit judge that the construction — the State supreme court is contrary to that of the U. S. Supreme Court in the Rivers case, and that with reference to every other class of cases the construction of a charter by the State court of last resort would be obligatory upon the U. S. Supreme Court and upon this court, I nevertheless think that the views of the Supreme Court in the Rivers case should still control the action of this court as to the meaning of the charter already declared by it, and that the complainant should have a decree perpetuating the injunction.

As to the meaning of the expression "contiguous persons:" Contiguous may have so broad a meaning as to make it appear to speak of the entire city of New Orleans as contiguous to the Mississippi river. This is not the meaning. The use of the word compels us to stop somewhere. There is no middle point. I think the word was meant in the charter to include only the actually riparian proprietors.

492 THE UNITED STATES OF AMERICA:

Circuit Court of the United States, Eastern District of Louisiana.

The President of the United States to the Southern Brewing Company, Greeting:

You are hereby cited and admonished to be and appear at a Supreme Court of the United States, to be holden at the city of Washington on the second Monday of October next, pursuant to a motion and order for appeal entered and filed in the clerk's office of the circuit court of the United States for the fifth circuit and eastern district of Louisiana, in a suit wherein The New Orleans Water Works Company, complainant, is appellant and The Southern Brewing Company, defendant, is appellee, to show cause, if any there be, why the decree rendered against the said New Orleans Water Works Company, as in said motion and order for appeal mentioned, should not be corrected and why speedy justice should not be done to the parties in that behalf.

Witness the Honorable Samuel F. Miller, associate justice of the Supreme Court of the United States, this 14 day of June, in the year of our Lord one thousand eight hundred and eighty-eight.

EDWARD C. BILLINGS, *Judge.*

493 [Endorsed:] United States circuit court, eastern district of Louisiana. No. 11351. The New Orleans Water Works Co. *vs.* The Southern Brewing Co. Citation.

Marshal's Return.

Received Jun- 14, 1888, by the U. S. marshal, and on the 14th day of June, 1888, I served a true copy of this original citation on the Southern Brewing Company, in the city of New Orleans, by handing the same to Peter Blaise, Esqr., known by me to be the president of said Southern Brewing Co., by leaving the same in his hands.

R. B. PLEASANTS,
U. S. Marshal,
By ALLEN THOMAS, JR., *Deputy.*

Before me personally appeared Allen Thomas, Jr., who, being duly sworn, deposes & says that he is a lawfully qualifyed deputy U. S. marshal for the eastern dist. of La., & that the service as above set forth is correctly stated.

ALLEN THOMAS, JR.

Subscribed and sworn before me this 16th June, 1888.
E. R. HUNT, *Clerk.*

Endorsed on cover: E. Louisiana C. C. U. S. No. 389. The New Orleans Water Works Company, appellant, *vs.* The Southern Brewing Company. Filed August 3, 1888.

(Office Supreme Court U. S.)
FILED,
OCT 10 1891
JAMES H. McKENNEY,
CLERK.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1891.

No. 66.

THE NEW ORLEANS WATER WORKS COMPANY,

APPELLANT,

versus

THE SOUTHERN BREWING COMPANY.

APPEAL FROM THE CIRCUIT COURT OF THE UNITED STATES FOR THE EASTERN DISTRICT OF LOUISIANA.

APPELLANT'S BRIEF.

J. R. BECKWITH,
Counsel for Appellant.

A. W. Hyatt Stat'y Mfg Co., Limited, 73 Camp street, N. O.—54,597.

Supreme Court of the United States.

OCTOBER TERM, 1891.

No. 66.

THE NEW ORLEANS WATER WORKS COMPANY, APPELLANT,

versus

THE SOUTHERN BREWING COMPANY, APPELLEE.

ASSIGNMENT OF ERROR.

1.

In the difference of opinion between the judges holding the circuit court, the circuit judge erred, both in law and fact, and his opinion ought not in right to have prevailed.

2.

The district judges opinion and conclusion of fact and law were correct, and his opinion in right ought to have prevailed.

3.

The court erred in the decree dismissing the bill.

4.

The decree should have been in favor of the complainant and for relief as prayed for, instead of the decree dismissing complainant's bill.

J. R. BECKWITH,

Counsel for Appellant.

Supreme Court of the United States.

OCTOBER TERM, 1891.

No. 66.

THE NEW ORLEANS WATER WORKS COMPANY, APPELLANT,

versus

THE SOUTHERN BREWING COMPANY, APPELLEE.

APPEAL FROM THE CIRCUIT COURT OF THE UNITED STATES FOR THE EASTERN DISTRICT OF LOUISIANA.

Appellant's Brief.

STATEMENT OF FACTS AND PLEADINGS.

The questions of law and fact in this case are substantially the same as were involved in the case of *Water Works Company vs. Rivers*, *115 U. S.*, *674*, decided at the October Term, 1885.

The history of the New Orleans Water Works Company, and the terms of its charter and its relation to the city of New Orleans, are substantially stated in the case referred to, and are set out in detail in the bill in this cause.

The original bill was filed May 15, 1886, after the determination of the Rivers case, and avers that in April, 1883, the legislature of this state created a corporation known as the Commercial Bank of New Orleans. (A copy of this act, in so

far as it is material to this controversy, is printed in "Appendix A," annexed to this brief.) The bank had a capital of three millions, to be subscribed for as provided in the act. The corporation was authorized and compelled to establish a system of public water works in the city adequate for the supply of the city; gave the bank the exclusive right and privilege of furnishing public water supply, erecting water works, laying pipes and mains for distribution of water to be taken from the Mississippi river.

It was further provided that at the expiration of thirty-five years from the adoption of the act the city of New Orleans, if it so elected, could purchase the water works and franchise for water supply with all exclusive rights at a price to be fixed by a method of arbitration provided for in the act, to be paid to the Commercial Bank in bonds of the city, bearing five per cent. interest, payable in not less than ten, nor more than thirty, years from the date of the purchase or award.

The bank was organized and the water works established and managed and controlled by the bank, until the expiration of the thirty-five year period. The city elected to purchase the water works. There was an arbitration under the statute. The city was a considerable shareholder in the Commercial Bank. The interest in the water works not represented by the city's shares in the bank was appraised at one million three hundred and ninety-three thousand four hundred dollars; city bonds were issued for that amount and delivered to the Commercial Bank, and the bank conveyed the entire works to the city, with all of its exclusive rights and monopoly, which, in the language of the act, was to continue vested in the city forever.

The city operated the water works under this grant until early in 1878, when, under usual municipal extravagance and heedlessness, the works became practically a wreck and unprofitable. The city, by reason of the water works bonds and other extravagance became in serious financial distress and unable to

meet the bonds or its current obligations and determined to convert the water works into an asset to exchange for some of its liabilities, and appealed to the State legislature for aid.

The legislature at an extra session, held in 1877, adopted Act No. 33, of that session, entitled "*An act to enable the city of New Orleans to promote the public health and to afford greater security against fire by the establishment of a corporation to be called the New Orleans Water Works Company;*" *to authorize the said company to issue bonds for the purpose of extending and improving said works and to furnish the inhabitants of the city of New Orleans an adequate supply of pure and wholesome water; and to permit the holders of water works bonds to convert them into stock and to provide for the liquidation of the bonded and floating debt of the city of New Orleans,*" *etc.*

A copy of this act is printed and constitutes "Appendix B" of this brief, and provides, amongst other things, that all holders of water works bonds may convert their bonds into stock of the new company. That when converted the bonds shall be delivered to the city and cancelled. That the new company shall issue to the city of New Orleans shares, amounting to $606,600, full paid shares of stock, as a bonus, and one share of one hundred dollars full paid for every one hundred dollars of the water works bonds redeemed by the city prior to the organization of the company. The corporation was to be organized when outside holders of the funded and floating city debt had subscribed to $500,000 of the capital stock, the city to have a majority of the board of directors, changed by a subsequent amendment to three of the seven directors. The bonds of the subscribers, other than the city, were surrendered, and the city, after the delivery of the full paid shares to be delivered to the city, made a formal notarial sale of the water works plant and property to the new company, vesting all of the monopoly acquired from the Commercial Bank, as expressed by the charter of 1877, in the new company.

The works were dilapidated and practically worn out. The subscription to the capital stock gave no cash capital to the company, the price of all of the shares being paid to the city to the extent of over $2,000,000, in the surrender of obligations representing the public debt of the city. The company, in order to reconstruct the works and put the system in adequate working order, was compelled to borrow money and issue its bonds, issued and negotiated with the consent of the city, as provided in the charter.

The act of sale from the city was with full, express warranty of title and all of the exclusive rigths granted by the act of 1877, as well as those derived from the Commercial Bank, and included the exclusive right to provide the city of New Orleans and its inhabitants with public water supply, as well from the Mississippi river as any other source, with the exclusive right to lay pipes and mains in the streets of the city for that purpose, and was to continue for the period of fifty years from the organization of the company. The only exception to this right is contained in the 18th section of the charter of 1877.

"That nothing in this act shall be so construed as to prevent the city council from granting to any person or persons contigaous to the river the privilege of laying pipes to the river exclusively for his own or their own use." *Rec. 242.*

The city observed its obligations until after the adoption of the new constitution of the state in 1879. That constitution, in article 258, enacted that

"All rights, actions, prosecutions, claims and contracts, as well of individuals as of bodies corporate, and all laws in force at the time of the adoption of the constitution and not inconsistent therewith shall continue as if the said constitution had not been adopted. But the monopoly features in the charter of any corporation now existing in the state, save such as may be contained in the charter of railroad corporations, are hereby abolished."

The city at once claimed that this provision of the constitution repealed every monopoly feature in the water works charter, especially the exclusive right of the Water Works Company

to lay pipes in the street, and exclusive right to supply water in mains and pipes, and committed an assault upon its warranty and the rights of the company by granting to any consumer who applied an alleged right to lay a pipe to the river, discard a water supply from the Water Works Company and pump their own supply, cutting off nearly all of the larger water consumers in the city from the Water Works Company.

The defendant in error, a brewery association or corporation, engaged in the manufacture of beer, was one of the beneficiaries of this bad faith. On the 18th day of March, 1884, the city council adopted an ordinance granting to the appellee a right to lay a pipe to the Mississippi river, through Toulouse street (*Rec. 175.*) The brewery of the defendant is nearly a mile distant from the river, or at least eight or nine blocks intervene, the brewery being outside of and to the rear of the site of the rear ramparts of the original city of New Orleans, as it was fortified in the colonial period. The defendant in error, under the pretended warrant of this ordinance, laid the pipe, and had, before the commencement of this action, damaged the Water Works Company, by pumping water for consumption, in a sum exceeding $5000.

The bill prayed for an account of water pumped and for a provisional and perpetual injunction.

On October 7th, 1886, the defendant appeared and filed what was by its counsel termed a plea, Rec. 16, setting up that by virtue of articles 248 and 258 of the constitution of the state, adopted in 1879, the monopoly granted to the appellant had been abolished and that by reason of such destruction or modification of the charter of the Water Works Company, the city had the right to grant as many rights to introduce water into the city as it might choose or elect.

The plea was made double in that it further set up that by article 234 of the same constitution, the legislature is prohibited from passing any general or special law for the benefit of corpo-

rations, except on condition that after such legislation such corporation should hold its charter subject to the provisions of the constitution of 1879, and averred that Act No. 56 of the public acts of 1884, a copy of which was annexed to the plea (Rec. 18), was legislation in favor of the Water Works Company, and that by reason of such action by the state legislature that monopoly clauses of the water works charter had become abrogated giving the city a right to assail its company with as many water works systems as it desired to grant.

Upon this plea coming in the complaint applied to the court for leave to amend the bill. Leave was granted, and in May, 1886, an amended bill was filed, a new draft of the bill as amended being made and filed on the 15th day of May, 1886, and appears on pages 27 et seq. of the record, this being the bill on which the cause was heard.

The bill as amended met the second alleged ground set up in the plea, by the additional averment that by the terms of the charter of the company it was to be exempt from municipal taxation, upon the express condition that it furnish a public water supply to all of the public buildings, some of the local charitable institutions, for the extinguishment of fires and flushing the street gutters. This water supply was made the express consideration for the exemption from taxation.

The city, in bad faith, while accepting and demanding the stipulated water supply, disregarded the exemption from taxation and for the year 1881 assessed the entire property of the company and levied a municipal tax. The company resisted; the city sued for the tax, and the Supreme Court of the State held that under the constitution of 1864, existing at the time the charter was granted, the legislature had no authority to exempt the company from municipal taxation, and undertook to make a new contract between the parties, by which the company was to pay the tax and become a common creditor for its return. As the

city was as bankrupt as a municipal corporation can be, this meant practical confiscation of the property of the company and the furnishing of a public water supply in consideration of a promise to reimburse money paid for taxes. A worthless obligation. The company refused to accept the new contract and contemplated cutting off the public water supply until the city came to terms and obligated itself to deal honestly.

That under this condition of things the legislature, in 1884, intervened by the adoption of act 56 of the acts of 1884, ("Appendix C"). This was an enabling act, probably not necessary to enable the city to treat the Water Works Company fairly, and provided that the city might settle its disputes with the company by compromise or contract, establish a price for public water supply in the event that it continued to levy the prohibited tax. After the adoption of this act, the city entered into a contract with the company for increased public water supply, an increased height of water supply from fifteen feet to over forty feet, for which it establishes a definite price, if the city still continues to impose and collect the taxes as before the agreement; that this action of the legislature and the city of New Orleans was the matter referred to in the last subdivision of the alleged plea of the defendant, and that it was not general or special legislation in favor of the Water Works Company, and did not alter, change or modify its charter; that by the terms of acte 56, 1884, the act was to have no such effect, and if it could be construed to have any such effect by virtue of any provision in the state constitution of 1879, such provision was in violation of the Constitution of the United States, relative to impairing the faith of contracts in that it curtailed the rights granted to the Water Works Company in its charter, amongst which was the full right of petition to the legislature for the redress of wrongs possessed by the company, in common with all citizens prior to the adoption of the constitution of 1879.

On the 9th of November, 1886, the defendant filed a joint plea and answer to the amended bill (*Rec. 48 et seq.*), so called, but the paper is nearer an answer than a plea, and sets up the same matters as in the original plea, in substantially the same form.

On the 11th of December, the complainant replied to the paper and took issue.

Disregarding the replication, the defendant resorted to the extraordinary course of setting the so-called plea down for hearing on the sufficiency of its own plea.

As this course appeared to be a device for delay, the complainant, on the 2d of February, 1887, moved the court for an injunction *pendente lite*.

The issue sought to be made by the defendant setting its own plea down for hearing after replication and the motion for injunction were both heard at the same time. The hearing was before both judges of the court, sitting together, and on March 4th, 1887, a writ of injunction *pendente lite* was granted, issued and served, and continued in force until final hearing. The defendant then filed an answer (*Rec. 109 et seq.*), which, after denying knowledge of most of the matters set up in the bill, in an involved way sets up anew the matters contained in its pleas. To this there was general replication.

Testimony of witnesses was taken relative to irrelevant matter as to who promoted act 56 of 1884. The acts of the legislature related to the Commercial Bank, the transfer of the bank to the city, the charter of the complainant, the transfer of the property from the city to complainant, the act of 1884, ordinance and contract for pay for public water supply, the ordinance under which this defendant claimed authority to lay and use the brewery main to the river, and like ordinances, and a map showing the location of the brewery and the exhibits filed with the bill and plans made up, the proofs upon which the

cause was tried on final hearing on the 12th of May, 1888, before Judges Pardee and Billings, sitting together.

The judges disagreed, and the circuit judge's (Pardee) opinion, under the statute, controlling, the bill was dismissed with costs by Judge Pardee on June 8th, 1888. Complainant appealed.

The opinion of the circuit judge and the dissenting opinion of Judge Billings are printed in the record, page 253 et seq.

The charter of the complainant company has been the subject of considerable litigation in both the state and federal courts. The city of New Orleans, immediately after the adoption of the constitution of 1879 and after more than two millions of its public debt had been lifted off by exchange into water works stock, commenced its assaults upon the company, first, by assessing a municipal tax in the face of its obligation to exchange taxation for public water supply. In this they were sustained by the State Supreme Court under its construction of the constitution of 1864, in force at the time of the adoption of the charter.

This was followed by a wholesale adoption of ordinances authorizing consumers not contiguous to the river, to establish water works of their own within the territory covered by the complainant charter. One of these grants was to Rivers, the lessee of the St. Charles Hotel, in the middle of the city; another was to the Crescent City Sugar Refinery Company situated near the river. Proceedings to arrest the installation of the Sugar Refinery Company's work were instituted in the courts of of the state and went to the Supreme Court, and was heard and determined at the December term of that court in 1883. The State Supreme Court undertook to construe the charter of the complainant and defining the character of contract involved. The case is reported in *35 A. 1111.*

In order to defeat the plaintiff in the cause the Supreme Court was compelled to construe the charter into a meaning

which if understood, at the time of the organization of the present company, would have left the water works in the hands of the city, as no holders of the public debt would have exchanged their bonds for a share of the stock, representing only the shadow of sustenance, decreed by the State Supreme Court to be all that was bought with their money or bonds. The opinion in the case is not very clear but seems to construe the contract between the state and complainant as simply a grant of the exclusive right to *pump and sell water* and that there was nothing in the contract to prevent the city from allowing every consumer of water in the city to establish his own water works, and pump water through his own mains, provided he did not *sell* water to others. If this is the true and an honest construction of the contract the inhabitants on any of the populous streets can lay a common main to the river and supply themselves, provided they do not *sell* water to others.

By this attack on the Water Works Company its large consumers were cut off and the profitless suburbs and public water supply for municipal purposes, was all that its stockholders purchased with their two million dollars. A writ of error to this court was sued out and perfected.

The complainant determined to submit the construction of its charter and contract rights to the federal courts, and in April of that year filed a bill to restrain Rivers from laying a pipe to the St. Charles hotel, under an ordinance of the same character as the Refinery ordinance.

This bill is in the present record. page 68 *et seq.* To this bill the defendant demurred. The circuit court sustained the demurrer on the ruling of the State Supreme Court in the Refinery case. There was an appeal to this court, where the cause was heard at the October term, 1885, reported in *Water Works vs. Rivers*, *115 U. S. 674*, determined at the same time with New Orleans Gas Co. vs. Louisiana Light Co., 115 U. S. 651, and the Louisville Gas Co. vs. the Citizens' Gas Co., 115 U. S. 684.

At the same time there was pending in that court an appeal in another action, involving the construction of the complainant's rights under its charter, *the New Orleans Water Works Company vs. the St. Tammany Water Works Company*, an appeal from a decree of the Circuit Court of the United States in Louisiana, by the defendant. The appeal was heard and determined at the October term of this court, 1886, and is reported in 120 U. S. 64. Both of these causes involved the construction of the contract contained in the complainant's charter and the effect of the state constitution of 1879 on the monopoly grant.

The writ of error to the Supreme Court of the State in the case of the Water Works Company vs. the Sugar Refinery Company was pending in this court when the case of Water Works Company vs. Rivers was heard. The Circuit Court, in the Rivers case, sustained the demurrer to the bill on the ground that the Supreme Court of the State had given a construction of the complainant's charter in the case of the Sugar Refinery Company, 35 La. Ann. 1111, then in this court on error. Counsel for the Refinery Company, on that ground, applied to this court for permission to be heard in the *Rivers* case in support of the conclusions of the *State Supreme Court in the Refinery case.* Permission was granted, and counsel for the refinery appeared in the cause and set up and asserted the soundness of the construction given by the state court. The correctness of the construction of the State Supreme Court was the only substantial ground set up by all of the counsel representing the defendants in the bill in support of the decree sustaining the demurrer of Rivers, thereby calling on this court to practically review the state court.

This court, with no uncertain utterance, discarded the conclusion of the state court in the Refinery case and construed the charter for itself, declaring in accordance with the doctrine laid down in the *New Orleans Gas Company vs. Louisiana Light Com-*

pany, 15 U. S. 650, and the Louisville Gas Company vs. Citizens' Gas Company, 115 U. S. 683, that it was competent under the constitution of the state, as it existed prior to 1879, for the state "to provide for supplying the city of New Orleans and its people with illuminating gas, by means of pipes, mains and conduits placed at the cost of a private corporation for supplying by the same means, pure and wholesome water for a like use, in the same city, the right to dig up and use the streets and alleys of New Orleans, for the purpose of placing pipes and mains, to supply the city and its inhabitants with water, is a franchise belonging to the state, which she could grant to such persons or corporations, and upon such terms as she deemed best for the public interest, and as the object to be attained was a public one, for which the state could make provision by legislative enactment, the grant of the franchise could be accompanied with such exclusive privileges to the grantee in respect of the subject of the grant, as in the judgment of the legislative department would best promote the public health and the public comfort, or the protection of public and private property. Such was the nature of the plaintiff's grant, which, not being at the time prohibited by the constitution of the state, was a contract, the obligation of which cannot be impaired by subsequent legislation or by a change in her organic law * * * * * * * * * * * *

The permission given to the appellee by the city council to lay pipes in the streets for the purpose of carrying water to his hotel is plainly in derogation of the state's grant to the appellant, for if that body can allow such a use of the public way to him it may grant a like use to all other citizens and to corporations of every kind, thereby materially diminishing, if not destroying, the value of the plaintiff's contract, on the faith of which it has expended large sums of money and rendered services to the public, which might otherwise have been performed by the state or city at the public expense."

This doctrine was specially affirmed in the case of *St. Tammany Water Works vs. N. O. Water Works, 12 U. S. 64.*

It can, therefore, it seems, be taken as the settled adjudication of this court that the complainant's charter lawfully and for a valuable consideration established a contract with the state by which the complainant acquired an exclusive right to lay pipes and mains in all of the public ways of New Orleans, for the exclusive supply of water to the city and its inhabitants, by means of distribution in pipes and mains. That article 258 of

the constitution of 1879 in terms cutting off all monopoly grants except those conferred on railroad companies, is inoperative against the earlier grant to the complainant ; and that an alleged grant to the city of New Orleans of a right to other persons or corporations, to lay pipes and mains in the public ways of New Orleans and pump their own supply of water, is violative of the charter contract of complainant and repugnant to the federal constitution, unless made to riparian owners or those included in the proviso set forth in the 18th section of complainant's charter.

That persons and corporations whose premises are so situated that streets and blocks with private ownership intervene between these premises and the Mississippi river, are not within the proviso of the 18th section of complainant's charter. The question of contiguity to the Mississippi river is not involved in this cause, as the brewery of the defendant is located more than twice as far distant from the Mississippi river as is the St. Charles Hotel, determined not to be contiguous in the Rivers case.

Unless both the Rivers and St. Tammany cases are to be reversed, with New Orleans Gaslight Co. vs. Louisiana Light Co., 115 U. S. 650, and Louisville Gas Co. vs. Citizens' Gas Co., 115 U. S. 683, the law and construction of the complainant's charter seem settled in this court.

The Circuit Court so held on the motion for injunction *pendente lite*, but after the allowance of the writ and before final hearing, the opinion of this court in *the New Orleans Water Works Company vs. the Louisiana Sugar Refinery Company, 125 U. S. 18*, was published, and, as we believe, misunderstood by the circuit judge, and led to the disagreement between the judges in their opinions in the case.

The opinions of both judges sitting in the case are printed in the record, page 253 *et seq.* The circuit judge evidently understood the case in 125 U. S. as overruling both the Rivers and

St. Tammany cases, and as adopting the opinion of the State Supreme Court, construing the charter of the Water Works Company, when this court simply determined that the State Supreme Court placed its determination of the case upon such grounds as to cut off federal review, and therefore was without jurisdiction to determine whether the Supreme Court of the State had erred in its conclusions, and so far from attempting to adjudicate rights between parties, it had only power to dismiss the writ of error, and of course did not attempt to either reverse, affirm, or even consider the determination of the State Supreme Court beyond that inspection necessary to determine the question of jurisdiction.

The circuit judge acted upon the belief that the federal courts are at all times, under all conditions, and in every controversy, bound to follow and adopt the construction given by the state courts to state laws and constitutions, even when the construction is forced and resorted to to prevent review by the federal Supreme Court.

This is not and never has been the rule, at least as understood by the circuit judge.

The uniform jurisprudence of this court has been that it possessed the untrammeled right to construe for itself every ordinance or statute of a state alleged to embody a contract and all enactments alleged to impair obligations and repugnant to the federal constitution in that respect. It seems idle to cite authority in support of this proposition, and we go no further back than 1 Black's Reports. *Jefferson Branch Bank vs. Shelley*, 1 Black, 436, is the case most commonly cited. It was insisted by the defendant in error in that case that this court must abide by the determination of a state court, that a particular statute did not constitute or amount to a contract protected by the federal constitution.

The court, in its opinion, declared :

"It has never been denied, nor is it now, that the Supreme Court of the United States has an appellate power to revise the

judgment of the supreme court of a state whenever such a court shall adjudge that not to be a contract which has been alleged in the forms of legal proceedings by a litigant to be one. within the meaning of the clause of the constitution of the United States which inhibits the state from passing any law impairing the obligation of contracts. Of what use would the appellate power be to the litigant who feels himself aggrieved by some particular state legislation, if this court could not decide independently of all adjudication by the supreme court of a state, whether or not the phraseology of the instrument in controversy was expressive of a contract, and within the provisions of the constitution of the United States, and that its obligations should be enforced notwithstanding a contrary conclusion by the supreme court of a state? It never was contended and cannot be sustained by any course of reasoning, that this court should or could, with fidelity to the constitution of the United States, follow the construction of the supreme court of a state in such a matter, when it entertained a different opinion; and in forming its judgment in such a case it makes no difference in the obligation of this court in reversing the judgment of the supreme court of a state upon such a contract whether it be one claimed to be such under the form of state legislation, or has been made by a covenant or agreement by the agents of a state by its authority"—(page 443).

The most marked exception to the rule of following the construction of statutes or constitutions of the states by its own courts is in this very matter of contracts. This case in 1st Black, has been cited, affirmed or approved in innumerable cases, of which we only cite the following:

Butz vs. Muscatine, 8 Wall. 575–582.

Delmas vs. Ins. Co., 14 Wall. 661–668.

Salt Co. vs. Saginaw, 13 Wall. 373–376.

University vs. People, 99 U. S. 309–323.

Wright vs. Nagle, 101 U. S. 791.

Railroad Company vs. Palmes, 109 U. S. 244–256.

Virginia Coupon Cases, 114 U. S. 270.

Louisville Gas Co. vs. Citizens' Gas Co., 115 U. S. 683–697.

New Orleans Water Works Co. vs. Rivers, 115 U. S. 674.

St. Tammany Water Works Co. vs. New Orleans Water Works Co., 120 U. S. 64.

We respectfully submit that this Court, having twice construed the contract involved in the complainant's charter, its meaning is no longer an open question in this court.

The effect of act 56 of the acts of 1884 on the charter of the complainant, if any, does not seem to merit any discussion. It does not pretend to amend the charter in terms, declares that it shall have no effect as change and modification of the prior legislative grant, and can only be construed to be an enabling act, to give the city power that it possessed under its charter without further legislation.

The location of the appellees' property as disclosed in the answer and by the map in the record, does not call apparently for any construction of the reservation or proviso contained in the 18th section of the complainant's charter, as appellees cannot consistently claim to be a "contiguous person" or corporation.

There would seem to be no difficulty if appellee was even nearer the river. We understand the rule of construction of a limitation or proviso in a statute conferring a grant, for a valuable consideration to be paid by the grantee, to be the same as the rule applied in case of private grants or contracts with reservation or proviso—that is, that the limitation or proviso is to be construed strictly in favor of the largest grant, with the least limitation consistent with the language of the proviso or limiting clause.

To constitute a riparian owner, the title deeds must grant an actual front on the river.

Cotton Press Case, 18 La. 237.

Livingston vs. Hennan, 9 Martin, 656.

Cochran vs. Fort, 7 N. S. 627.

8 N. S. 576.

A title conveying property in a square in a city, bounded by streets named, grants no riparian rights.

Winter vs. New Orleans, 26 An. 310.

The construction to be given to the word "contiguous," or "persons contiguous to the river," contained in the 18th section of the water works charter, cannot be well made the subject of discussion, as the meaning of the word is too well established. Being contained in a proviso made in a general grant, made for valuable consideration, it must be construed strictly, and held to limit the grant no more than the fair meaning of the words import.

Webster defines "contiguity" to be "the state of being in actual or close contact," and quotes Dryden as authority for saying that "contiguously" means, "in a manner, to touch, without intervening space." The word "contiguous" is used in the highway law of Louisiana. La. Revised Statutes, section 2754. This section declares, "Roads shall not be closed without the consent of the contiguous property holders."

In Raxedale, vs. Seip, 32 An. 435, the Supreme Court of Louisiana held, that the words quoted were intended to designate persons whose property is actually touching on the road, and exclude "property holders who, although vicinal, are not contiguous." The question of the meaning of the words "contiguous buildings," as used in insurance policies, was brought in question in Askell vs. Ins. Co., 69 N. Y., 192. The court declared, "contiguous" is defined to be "adjacent, in actual close contact, touching, near." The word "contiguous" is a relative term, and when employed in reference to a building, evidently means "in close proximity to the same." In this case it was held that a building fifty feet distant from the building insured was not "contiguous" to it.

In Sporehawk vs. Salem, 1 Allen, 30, it was held, that a statute of Massachusetts, requiring cities and towns to protect travelers on the highway from dangerous places contiguous to the way, did not apply to a railway embankment forty feet from the street—not contiguous to it.

In Saulet vs. Shepherd, 4 Wall. 508,, Justice Grier says:

"The right to alluvion depends upon the contiguity of an estate to the river. Before there can be a right to accession or accretion, there must be an estate to which the accession can attach. The plaintiff's claim seems to be founded on the notion that the right to alluvion adhered to the original plantation, and not to the particular portion of it that borders on the river."

To hold or assert that the appellee, not pretending to own an estate running to the banks of the river, or a "person contiguous to the river," would be to give to the 18th section of the water works charter a construction that would render every inhabitant of the city of New Orleans "contiguous to the river," without the proviso, for beyond doubt the entire city, as a city, is contiguous to the river, by an enlarged and loose use of the word, a meaning certainly never contemplated by either the grantor or grantee.

We respectfully submit that the circuit judge erred, and Judge Billings was correct in the questions upon which there was difference between the judges, and that the decree of the circuit judge should be reversed and the bill sustained for all of the relief sought as prayed for.

J. R. BECKWITH.
Counsel for Appellant.

APPENDIX A.

EXTRA SESSION OF 1877.

No. 33] **AN ACT.**

To enable the city of New Orleans to promote the public health and to afford greater security against fire, by the establishment of a corporation to be called the "New Orleans Water Works Company;" to authorize the said company to issue bonds for the purpose of extending and improving the said works, and to furnish the inhabitants of New Orleans an adequate supply of pure and wholesome water; to permit the holders of water works bonds to convert them into stock, and provide for the liquidation of the bonded and floating debt of the city of New Orleans.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana in General Assembly Convened*, That a corporation be, and the same is hereby created, to be styled, "The New Orleans Water Works Company," the capital stock whereof shall consist of two millions of dollars, which shall be divided into twenty thousand shares of one hundred dollars each.

SEC. 2. *Be it further enacted, etc.*, That immediately after the organization of the said Water Works Company, as hereinafter provided, it shall be required to issue to the city of New Orleans, stock to the amount of six hundred and six thousand six hundred dollars, as full paid, and not subject to assessment; and in addition thereto, one similar share for every one hundred dollars of water works bonds which said city may have taken up heretofore and extinguished by payment, exchange or otherwise; and that the residue of said capital stock shall be reserved for the benefit of all holders of water works bonds, to the extent of the amount now outstanding, who may elect to avail

themselves of the provisions of this act; and the said Water Works Company shall issue to the said city of New Orleans, to be exchanged with the holders of said bonds, one share of full paid stock not subject to assessment, for each and every one hundred dollars of said water works bonds; and the said bonds, as fast as surrendered and exchanged for stock as aforesaid, be cancelled; that for the purpose of effecting said exchange of outstanding water works bonds for stock, as aforesaid, the city of New Orleans shall be entitled to all the certificates for the shares of said stock as said New Orleans Water Works Company, and shall, by advertisement for six months in two newspapers in the city of New Orleans and two newspapers in the city of New York, give notice that it will exchange said stock at par for said water works bonds, at par, exclusive of the overdue coupons attached to said bonds, which shall constitute a separate demand against said city, and in case any of the said bondholders shall fail or refuse to avail themselves of this act within one year from the formation of said company, the said City of New Orleans shall not thereafter be required to make said exchange, but may retain the unused shares of stock for its own account and benefit, unless it shall prefer to continue to take up any of said outstanding bonds by exchange as aforesaid.

SEC. 3. *Be it further enacted, etc.*, That the said Water Works Company shall be organized by the mayor of the city, giving thirty days' notice that he will receive subscriptions of bondholders who may agree to exchange their bonds for stock as aforesaid; and the said city shall at once subscribe for stock to the amount of six hundred and six thousand six hundred dollars, and such further amount as shall equal the par value of any of said water works bonds, which shall have been extinguished by said city, and as soon as, in addition to the subscription of said city, there shall be subscribers for an exchange of said bonds for stock to the extent of five hundred thousand dollars, and the said amount of bonds shall have been actually surrendered to and cancelled by the administrator of

finance, the said subscribers shall assemble together on a day to be named by the mayor, and shall elect a board of directors, to consist of seven persons, four of whom shall be designated by the mayor, and the remaining three shall be elected by said subscribers, other than said city, from amongst themselves; and the persons thus designated and elected shall constitute the first board of directors, and shall continue in office until the first of July, eighteen hundred and seventy-eight, and the said board shall elect one of their number as president.

SEC. 4. *Be it further enacted, etc.*, That as soon after the election of said board of directors as the city council may determine, the mayor of the city shall transfer, by notarial act, to said New Orleans Water Works Company the water works and all the property appurtenant thereto.

SEC. 5. *Be it further enacted, etc.*, That the said Water Works Company shall own and possess the privileges acquired by the city of New Orleans from the Commercial Bank; that it shall have, for fifty years from the passage of this act, the exclusive privilege of supplying the city of New Orleans and its inhabitants with water from the Mississippi river, or any other stream or river, by means of pipes and conduits, and for erecting or constructing any necessary works or engines, or machines for that purpose; that it may contract for, purchase or lease any land or lots of ground, or the right to pass over and enter the same from time to time as occasion may require, through which it may be necessary to convey the water into said city or to distribute the same to the inhabitants of said city, and to construct, dig, or cause to be opened, any canals or trenches whatsoever, for the conducting of the water of the rivers from any place or places it may deem fit, and to raise and construct such dykes, mounds, reservoirs as may be required for securing and carrying a full supply of pure water to said city and its inhabitants; to enter upon and survey such lands as it may think proper, in order to ascertain the best mode of furnishing a supply of water; to lay and place any number of con-

duits or pipes, or aqueducts, and to cleanse and repair the same, through or over any of the lands or streets of the city of New Orleans; *provided*, the same shall not be an obstruction to commerce or free circulation; and also to have and use a common seal and alter the same at pleasure; to ordain and establish by-laws for its government and that of its officers and employees, not repugnant to this act and the constitution of the state and of the United States, or the ordinances of the city of New Orleans.

SEC. 6. *Be it further enacted, etc.*, That on the first Monday of July, eighteen hundred and seventy-eight, and annually thereafter, an election for directors of said company, after ten days' notice of the same, and place of holding the same, shall be held, at which election there shall be elected four directors by all the stockholders other than the city of New Orleans; and the mayor of the city, the administrator of water works and public buildings, and the administrators of finance of said city, shall be *ex-officio* directors of said company; the said city, through its mayor and administrators, shall have the right to vote at the election of directors, and at all meetings of said stockholders, in the same manner as any other stockholders. That at all elections and all meetings of stockholders each share of stock shall be entitled to one vote. The directors elected shall serve for one year; and shall hold their offices until their successors are appointed; and no failure to elect directors at the time designated, shall prevent the board of directors from fixing another day for holding the election; and in case of vacancy in the board of directors, occasioned by death, resignation or absence from the state, or other cause, the board of directors may fill such vacancy for the remainder of the year.

SEC. 7. *Be it further enacted, etc.*, That the stock owned by said city of New Orleans in said Water Works Company, shall not be liable to seizure for the debts of said city.

SEC. 8. *Be it further enacted, etc.*, That the stock of said Water Works Company may be increased to two millions of

dollars, for the purpose of enabling said company to improve, enlarge and extend its works: *Provided*, that the new or increased stock shall be paid for in cash, or in work done for the company; and in case of non-payment of instalments on stock subscribed for, the same may be forfeited to the use of said company.

SEC. 9. *Be it further enacted, etc.*, That the board of directors of said company shall have power, in addition to the authority to increase its capital stock, to borrow money for the purpose of improving and enlarging its works, and increasing the supply of pure water; and to accomplish this purpose, the said board of directors are hereby authorized to issue the bonds of the company to an amount not exceeding two millions of dollars, in such sums, on such terms, and bearing such rate of interest as said board may determine, and the payment of said bonds, in principal and interest, may be secured by a mortgage of all the property and franchises of said company, including its franchises to be a corporation, and said mortgage may include the property and franchises of said company, acquired or to be acquired, and the registration of said mortgage in the office of the Recorder of Mortgages for the parish of Orleans, shall operate on the property and franchises of said company, wheresoever situated, and shall be and continue a valid and subsisting mortgage until the payment of the debt secured by it, without re-inscription: *Provided, however*, that no bond shall be issued, or mortgages given, without the consent of the council of the city of New Orleans, and said bond shall not be sold or disposed of except on such terms as shall be approved by said council of said city.

SEC. 10. *Be it further enacted, etc.*, That said company shall not declare or pay any dividends, except in cash, and then only out of the net semi-annual or annual receipts, after payment of expenses of operation, and the interest on its bonded debt, nor shall any dividends be declared until the contemplated works are completed and in use.

SEC. 11. *Be it further enacted, etc.*, That the city of New Orleans shall be allowed to use water from the pipes and plugs of said company now laid, or hereafter to be laid, free of any charge, for the extinguishment of fires, cleansing of the streets, and for the use of all public buildings, public markets and charitable institutions, and that the said company shall place, free of any charge whatever, two hydrants of the most approved construction in front of each square, where a main pipe shall be laid, at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn for the extinguishment of fires, for watering the streets and cleansing the gutters, and for any other public purpose; that on the squares which do not front on the river, the hydrants shall be placed on opposite sides of the streets, at an equal distance from each other and the corners. It shall be the duty of the said company, whenever main pipes shall be laid, to supply water for all the purposes herein mentioned at all times during the continuance of this charter; and in consideration thereof the franchises and property of said New Orleans Water Works Company, used in accordance with this act, shall be exempt from taxation—state, municipal and parochial.

SEC. 12. *Be it further enacted, etc.*, That the said Water Works Company shall have the right in the city of New Orleans and its suburbs and adjoining lands, to use the streets and public places for the purpose of laying pipes and hydrants to run water; *provided*, that said streets shall not be obstructed longer than necessary for such purpose, or for making repairs, and that said streets shall be restored to the same condition they were in as soon as practicable, by the said company, under the supervision of the city surveyor. In case the said Water Works Company shall require any lot of ground in the city of New Orleans, or any lot of ground or quantity of land situated in any parish of this state, for the purpose of constructing reservoirs or other works, or for the purpose of laying pipes to conduct water to the city of New Orleans, and shall not be able to agree

with the proprietor or proprietors of said lot of ground or land, the said company shall have power to cause the same to be expropriated in pursuance of the general laws on the subject of expropriation for works of public utility now in force, or which may hereafter be enacted, and if the object of said company be merely to lay pipes through a piece of land or lot of ground, the expropriation shall be confined merely to the servitude it may require, and not to the rights of absolute ownership.

SEC. 13. *Be it further enacted, etc.*, That the said Water Works Company, immediately after its organization, shall proceed to the erection of new works and pipes sufficient in capacity to furnish a full and adequate supply of water, to be drawn from the Mississippi river, or elsewhere, as may be judged most expedient; that said new works and pipes shall be commenced within twelve months from the passage of this act and shall be year by year completed, so that, within five years from the date of this act, they shall be completed so as to give an adequate supply of water to the people of the city of New Orleans, exclusive of the fifth district. If said work be not done as above prescribed, said corporation shall forfeit all exclusive privileges granted herein, and the city shall have a right to contract with any one else for a supply of water as above provided, and to expropriate the property of the corporation hereby created. After the completion of the new works and pipes, the said company shall, from time to time, as the wants of the population may require, and when the estimated revenue on the cost of such extension shall equal ten per centum, extend their works throughout the entire limits of the city and suburbs, and any future extension of said city; and any failure by said Water Works Company to comply with this provision shall work a forfeiture of this charter.

SEC. 14. *Be it further enacted, etc.*, That the city of New Orleans, through its council, shall have authority to apply the stock subscribed for by said city, as herein provided, to the reduction of the bonded or floating debt of the said city, on such

terms of adjustment as may be agreed upon between the city council and the holders of such bonded or floating debt; *provided*, said stock shall not be sold at less than par, and that when sold for obligations of the city, it shall only be under sealed proposals, after not less than fifteen days' advertisement in two daily papers, to the bidder who shall offer said obligations at the most advantageous rate, the council reserving the right to reject any and all bids.

SEC. 15. *Be it further enacted, etc.*, That the said Water Works Company shall have the right to fix the rates of charges for water; *provided*, that the net profits of the company shall not exceed ten per cent. per annum, and shall publish sworn annual statements of its business and condition; and that the city council shall have the power to appoint a committee of not less than five, who shall have access to the books of the said company, and make such extracts from the same as they may deem necessary, and in case the said profits shall exceed ten per cent. the city council shall have the right to require said company to reduce the price of water in such manner and in such a proportion, that the profits shall never exceed the above named rates; *and provided further*, that the rates charged shall never exceed those now paid by the city, and in case said company shall refuse compliance, the demand of said city may be enforced by a writ of mandamus.

SEC. 16. *Be it further enacted, etc.*, That if any person or persons shall obstruct the said company, their successors, agents, workmen or servants, in conveying the said water into the said city and its suburbs, or shall change, alter, remove, injure or destroy any work or part of a work made by the said company, or cause to be made, for the purpose of introducing water into the city of New Orleans, under the authority of this act; or if any person shall alter, change or pollute the water or stream which the said company shall hereafter introduce, or be preparing to introduce, such person or persons shall be indicted in the proper court for the trial of such offense, and being thereof

convicted, shall be fined at the discretion of the court, according to the nature of the offense, and imprisoned for a term not exceeding seven years, such fine to be paid and applied to the use of said company.

SEC. 17. *Be it further enacted, etc.*, That until other works are constructed by which the present works may be dispensed with, the same shall remain under the control of the city council, and the superintendence thereof remain in the hands of the administrator of water works and public buildings; but the said company shall be authorized to collect the revenues thereof and apply them to the expense of operating and extending the works. At the expiration of fifty years from the organization of the company, the city shall have the right to buy the works, conduits, pipes, etc., of the company, at a valuation to be fixed by five experts: two to be named by the city, two by the company, and the four to select the fifth expert; but should ythe cit neglect or refuse to purchase said works, etc., as above provided, the charter of the company shall be, *ipso facto*, extended for fifty years longer, but without any exclusive privilege or right to supply water, according to the provisions of the charter.

SEC. 18. *Be it further enacted, etc.*, That nothing in this act shall be so construed as to prevent the city council from granting to any person or persons, contiguous to the river, the privilege of laying pipes to the river exclusively for his own or their own use.

(Signed) LOUIS BUSH,
Speaker of the House of Representatives.

(Signed) LOUIS A. WILTZ,
Lieutenant-Governor and President of the Senate.

Approved March 31, 1877.

(Signed) FRANCIS T. NICHOLLS,
Governor of the State of Louisiana.

A true copy:

WILL A. STRONG,
Secretary of State.

No. 43.] AN ACT

Relative to the Charter of the New Orleans Water Works Company and amending an Act Number Thirty-three of Extra Session of eighteen hundred and seventy-seven (1877), approved March 31st, 1877.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of Louisiana, in General Assembly convened*, That, at the election to be held on the first Monday of July, eighteen hundred and seventy-eight (1878), and annually thereafter, for directors of the New Orleans Water Works Company, the stockholders of the said New Orleans Water Works Company shall elect four directors, but the city of New Orleans shall not vote at said elections, she being already fully represented, for the amount of her stock, by the mayor of the city, the administrator of water works and public buildings, and by the administrator of finance, who are *ex-officio* directors of said company.

SEC. 2. *Be it further enacted, etc.*, That section ten (10) of said Act Number Thirty-three (No. 33), of Extra Session of the year eighteen hundred and seventy-seven (1877), be amended and re-enacted so as to read as follows: "That said company shall not declare or pay any dividends except in cash, and then only out of the net semi-annual or annual receipts after payment of expenses of operation, and gradual extension, and the interest on its bonded debt."

SEC. 3. *Be it further enacted, etc.*, That section seventeen (17) of aforesaid act be amended and re-enacted so as to read as follows: "That at the expiration of fifty years from the organization of the company, the city shall have the right to buy the works, conduits, pipes, etc., of the company, at a valuation to be fixed by five experts: two to be named by the city, two by the company, and the four to select the fifth expert; but should the city neglect or refuse to purchase said works, etc., as above provided, the charter of the company shall be, *ipso facto*, extended for fifty years longer, but without any exclusive privi-

lege or right to supply water according to the provisions of the charter."

SEC. 4. *Be it further enacted, etc*, That the time allowed to the said New Orleans Water Works Company to commence and proceed to the erection of new works and pipes (as contemplated by said act Number Thirty-three), (No. 33), shall commence six months after the organization of said company, and not from the date of the passage of said act.

SEC. 5. *Be it further enacted, etc.*, That the full, complete and adequate supply of water referred to in section thirteen (13) of said act No. 33, shall be so construed as to require a supply of water at the height of not less than fifteen (15) feet from the ground wherever the pipes of the water works now exist.

SEC. 6. *Be it further enacted, etc.*, That the word "State" in section eleven (11) of said act No. 33 of 1877, and in the last line thereof, be stricken out, so that the said company shall not be exempt from state taxation.

SEC. 7. *Be it further enacted, etc.*, That all laws or parts of laws contrary to the provisions of this act, or in conflict therewith, are hereby repealed to the extent that they do conflict, and that this act shall take effect from and after its passage.

(Signed) LOUIS BUSH,
Speaker of the House of Representatives.

(Signed) LOUIS A. WILTZ,
Lieutenant Governor and President of the Senate.

Approved February 26, 1878.

(Signed) FRANCIS T. NICHOLLS,
Governor of the State of Louisiana.

A true copy:

WILL A. STRONG,
Secretary of State.

APPENDIX B.

EXHIBIT A, FILED WITH BILL.

No. 56.] AN ACT

To provide for the supply of water to the city of New Orleans, by the New Orleans Water Works Company, in cases of the municipal taxation of said company; to authorize provision to be made for the payment of water supplied and to be supplied; to provide for obtaining a supply of clear or filtered water by the New Orleans Water Works Company, and to enable the city of New Orleans to contract for the same; to regulate the payment of taxes imposed on said company contrary to the exemption given in its charter and to put into effect section 11 of act No 33 of acts of 1877, E. S., in instances of refusing or contrary to the exemption therein.

Whereas, Due notice and advertisement has been given and made of the intention to apply for this act pursuant to article 48 of the constitution of this state; and

Whereas, The New Orleans Water Works Company is being subjected to municipal taxation notwithstanding the exemption from taxation granted by its charter in consideration of water to be supplied to the city of New Orleans; and

Whereas, It is possible and desirable to furnish the inhabitants of New Orleans with clear or filtered water from the Mississippi river; therefore,

SECTION 1. *Be it enacted by the General Assembly of the State of Louisiana*, That in all instances of the taxation of the franchises of property of the New Orleans Water Works Company for any year or years by or for the city of New Orleans, or for municipal purposes, whether such taxation be for past or future years, and the said company be in any manner obliged to pay, notwithstanding the exemption granted in section 11 of act No. 33 of acts of 1877, E. S., then in all such instances, the said city of New Orleans is hereby empowered and required to pay the said company the value of all the water the said company has sup-

plied or shall supply, during any year or years for which said taxes have been or shall be levied, to or for the use and purposes of the city of New Orleans, its public buildings, markets, or for streets, gutters, extinguishment of fires, or other public purposes.

SEC. 2. *Be it further enacted, etc.*, That in all instances of such taxation, contrary to said exemption, or any future year or years, the city of New Orleans shall provide in its budget, or shall set apart and appropriate a sum sufficient to pay for the said water supply for said year or years, and unless this be observed and done, the said company shall not be compelled to deliver water for the uses and purposes aforesaid.

SEC. 3. *Be it further enacted, etc.*, That any taxes already imposed for any year, contrary to said exemptions, shall not be exacted, nor any penalty or interest accrued be demanded thereon, or any begin to run until said city shall have provided for the payment of the water supplied in said year, or provision made therefor by remedy at law or equity.

SEC. 4. *Be it further enacted, etc.*, That to secure the inhabitants of New Orleans and to the use of the city a supply of filtered or clear water, the city of New Orleans be and is hereby empowered to contract with the said company, and determine upon terms and conditions, and fix a price for obtaining from said company such supply of clear or filtered water.

SEC. 5. *Be it further enacted, etc.*, That nothing in this act shall be construed as in any manner abridging or otherwise affecting any of the rights, franchises and privileges heretofore granted to said company; but all such rights, franchises and privileges shall continue and belong to said company.

SEC. 6. *Be it further enacted, etc.*, That all laws or parts of laws inconsistent herewith be and are hereby repealed, and this act shall have effect from and after its promulgation.

H. W. OGDEN,
Speaker of the House of Representatives.
CLAY KNOBLOCH,
Lieutenant-Governor and President of the Senate.
S. D. McENERY,
Governor of the State of Louisiana.

Approved 7th July, 1884.

APPENDIX C.

AN ACT.

To incorporate the Commercial Bank of New Orleans.

Whereas, sundry inhabitants of the city of New Orleans have petitioned this General Assembly, setting forth that they are desirous of establishing a company in the city of New Orleans, invested with banking privileges, and to be entitled the "Commercial Bank of New Orleans:" the chief object of which said company, is to be the conveying of water from the river into the city of New Orleans and its faubourgs, and into the houses of its inhabitants: *And whereas*, the said object will greatly contribute to the security of the said city from fire, and to the health and convenience of the inhabitants, and the agricultural and commercial interests of this state may be greatly promoted by extending to said company the privileges required, *therefore*,

* * * * * * * *

SEC. 4. *Be it further enacted, etc.*, That all such persons as shall become subscribers to said company, their successors and assigns, shall be and are hereby created and made a corporation and body politic, by the name and style of the *Commercial Bank of New Orleans*, and by that name shall be and are hereby made capable in law, to have, hold, purchase, to receive in payment of debts, possess, enjoy, and retain, to them and their successors, property and estate of what nature, kind, or quality soever, or so far as is necessary to carry into complete effect the object of this charter, which is declared to be the furnishing of the city with good and wholesome water; and the same to alien, transfer and dispose of, to sue and be sued, plead and be impleaded, answer and be answered, defend and be defended, in any court or courts of record, or other place whatsoever; to have forever the exclusive privilege, from and after the passing of this act, of supplying the city and inhabitants of New Orleans and its faubourgs, with water from the river Mississippi, by means of pipes or conduits, and for erecting, constructing, or working of any

necessary engine; and they may contract for, purchase or lease the right to enter and pass through, from time to time, as occasion may require, any lands or grounds through which they may deem it necessary to convey the said water into said city and its faubourgs, and to construct, dig, or cause to be opened, any canals or trenches whatsoever, for the conducting of the water of the river from any place or places that they may deem fit, and to raise and construct such dykes, mounds or reservoirs, as they may judge proper, for securing and conveying such supply of water, as aforesaid, to the said city and the faubourgs thereof, and to survey such lands as they may think proper, in order to ascertain the best mode of furnishing such supply, and to lay and place any number of conduits, pipes and aqueducts, and to cleanse or repair the same, through or over any of the lands or streets of the city of New Orleans and its faubourgs, and also to have and use a common seal, and the same to break, alter and renew at pleasure; and also, through their president and directors, to ordain, establish, and put in execution, such by-laws, ordinances and regulations as shall seem necessary and convenient for the government of said corporation, not being contrary to this act, nor to the constitution and laws of the United States, or of this state, or ordinances of the city council of New Orleans, and generally to do and execute all such acts, matters and things, as to them shall or may appertain to do, subject, nevertheless, to the rules, regulations, restrictions, limitations and provisions hereinafter specified and declared. *Provided, however*, that at any time after the expiration of thirty-five years from the passage of this act, it shall be lawful for the corporation of the city of New Orleans to purchase from the Commercial Bank of New Orleans, the water works constructed by said company, in virtue of this act—and said company shall not refuse to sell the works aforesaid, with all the rights and privileges appertaining to the same, on the terms hereinafter provided.

* * * * * *

SEC. 11. *Be it further enacted, etc.*, That said company shall, within twelve months after the first election of directors, commence works, and commence to procure such materials as may be necessary to enable them to furnish the inhabitants of the city of New Orleans and its faubourgs, with sufficient water from the river at all seasons of the year; and in order that the true intent and meaning of this act be strictly adhered to and complied with, and that the water works contemplated to be constructed by said company, to be completed in the shortest time practicable, under all the circumstances, the sum at least one hundred thousand dollars shall be expended on the works aforesaid, annually, until the said company is in a situation to supply, and actually do supply, water to the greater part of the streets of the city proper, and the principal and most populous streets of the faubourg—said expenditure to commence within one year after the passage of this act—so that the city of New Orleans and the faubourgs thereof may be furnished with water in the streets, and such inhabitants may procure it by means of conduits or pipes, within their houses and lots, at a price to be regulated by the company; and should the said sompany fail or neglect either to commence or continue said works as aforesaid, then, and in such case, the charter now granted shall be wholly null and void; *provided, however*, that the net profits on the same shall not exceed an interest of fifteen per centum per annum, from the time of disbursements on said works; and at such times as dividends shall be declared by the bank, say semi-annually, the interest on the sum expended in constructing said water works shall be added thereto, and shall form part of the capital invested, until the net revenue of said works amount to fifteen per centum as aforesaid; *and provided, also*, that the city council of New Orleans shall have the power, annually, to appoint a committee, who shall have access to such of the books of said bank as relate to the said Water Works Company, and may make such extracts from the same as they may think necessary; *and provided, further*, that at the end of five years after the first

appropriation, the said net profits shall not exceed ten per cent. —and in case said profits should exceed fifteen per centum during the first five years and ten per centum afterwards, as provided for in this section, the city council shall have the power to reduce the price of water, in such a manner and in such a proportion that the profits should never exceed the above mentioned rates.

* * * * * * * *

SEC. 21. *Be it further enacted, etc.*, That within the first thirty days that the books are opened for subscription, the corporation of the city of New Orleans may subscribe for five thousand shares of the capital stock of said company, not subject to deduction; and for which the said company may receive the bonds of the mayor, aldermen and inhabitants of New Orleans, redeemable in forty years, bearing an interest not exceeding five per centum per annum, payable half yearly.

SEC. 22. *Be it further enacted, etc.*, That if, agreeable to the twenty-first section of this act, the corporation of the city of New Orleans shall subscribe for five thousand shares of the capital stock of the Commercial Bank of New Orleans, then, and in that case, the city council of New Orleans shall annually elect, by ballot, from the mayor, recorder, and aldermen of said council, two persons, who shall be members of the board of directors; and the stockholders shall only elect eleven instead of thirteen directors, as provided for in the third and sixth sections of this act, in which election the said city council shall not vote as stockholders; *provided*, that nothing herein contained shall be so construed as in any manner to impede, diminish or impair the rights and powers granted to the city council of New Orleans, and to the committee to be appointed by them annually, by virtue of the eleventh section of this act.

SEC. 23. *Be it further enacted, etc.*, That the provisions of the thirteenth section of this act, relative to half yearly dividends, shall not be so construed as to apply to the stock, subscribed for and owned by the corporation of the city of New

Orleans; the dividends arising from the shares so owned shall be applied, first, to the payment of the interest on the bonds given to the Commercial Bank of New Orleans for the stock subscribed by the said corporation, and the surplus shall be passed to the credit of the said corporation, half yearly, at such times as dividends are payable to other stockholders, to be set apart as a sinking fund, applicable alone to the payment of the bonds of said corporation when they shall become due, and the said corporation shall be allowed an interest of five per centum per annum on the same by the Commercial Bank of New Orleans.

SEC. 24. *Be it further enacted, etc.*, That if the corporation of the city of New Orleans shall fail to subscribe for five thousand shares of the capital stock of the Commercial Bank of New Orleans within the first thirty days the books are opened for subscriptions, the twenty-first, twenty-second and twenty-third sections of this act shall be considered null and void and of no effect.

* * * * * * * *

SEC. 33. *Be it further enacted, etc.*, That in the city of New Orleans, its suburbs and adjoining lands laid out in town lots, he company shall have the power of using the streets and public places for the purpose of placing pipes to run the water; *provided*, they do not obstruct the said streets longer than will be absolutely necessary for the said purpose, or for making any repair; *and provided* they restore the said streets to the same condition they were before in as short a time as possible; that within the said limits it shall not have power to place any pipe, or do any work upon any lot of ground, without the consent of the owner; and that out of the said city, its suburbs and the lands laid out in town lots, if the said company shall not be able to agree with the proprietor or proprietors of lots of ground through which it may be necessary to run the water, through pipes or otherwise, as the directors may deem expedient, for the purpose of introducing water into the said city and its fau bourgs; or if such owner or owners shall be absent, out of the

state, or unknown, or shall, from incapacity, legal or otherwise, be precluded from making any contract or agreement in relation thereto, it shall and may be lawful, on the application of the president and directors of the Commercial Bank of New Orleans, for the judge of that judicial district of Louisiana wherein the city of New Orleans is, or may be hereafter, situated, to issue his warrants to the sheriff of the parish of Orleans, commanding

* * * * * *

SEC. 36. *Be it further enacted, etc.*, That if any person or persons shall obstruct the said company, their successors, agents, workmen or servants, in conveying the said water into the said city and its faubourgs, or shall change, alter, remove, injure or destroy, any work or part of a work made by the said company, or cause to be made, for the purpose of introducing water into the city of New Orleans and its faubourgs, under the authority of this act; or if any person shall alter, obstruct, change or pollute, by any tan-yard, hog-stye, slaughter-house, dye-pot, or otherwise, the waters or streams which the said company shall hereafter introduce, or shall be preparing to introduce into the city of New Orleans and its faubourgs, under the authority given and regulations prescribed by this act, such person or persons shall be indicted in the proper court for the trial of offences within the parish of Orleans committed, and being thereof convicted, shall be fined at the discretion of the court, according to the nature of the offence, and imprisoned for any time not exceeding seven years; such fine to be paid and applied to the use of said company.

* * * * * * * *

SEC. 38. *Be it further enacted, etc.*, That the corporation of New Orleans shall be supplied by the said company, free of charge, with all water necessary for the extinguishment of fires and other public purposes; nor shall the city council be subject to any charge for water furnished to supply the gutters of the said city and faubourgs; and that the said company, as they

progress in laying aqueducts, shall place, free of any charge whatever, two hydrants of a proper construction, in front of each square, at a suitable distance from each other, from which a sufficient quantity of water may be conveniently drawn, for extinguishing fires, for wetting, washing and watering the streets and gutters, and any other public purpose; that on the squares which do not front on the river, the hydrants shall be placed on opposite sides of the streets, at an equal distance from each other and the corners; that the said hydrants shall be of a proper size and made so as at all times to furnish water for the fire engines, and purposes herein mentioned; it shall further be the duty of said company to supply water for all the purposes herein mentioned, at all times during the continuance of this charter, unless prevented by some unavoidable accident, and in case such shall occur, the repairs shall be made and the water again furnished at the expiration of the necessary delay; and the said company shall supply a sufficient quantity of clear, pure and wholesome water for the use of the inhabitants, within the limits aforesaid, at the elevation of fifteen feet, when the same may be required. *Provided, however*, that said hydrants shall be under the control of the Commercial Bank.

* * * * * *

SEC. 41. *Be it further enacted, etc.*, That the second section of this act shall not be so construed as to apply to the payment of ten dollars per share *at the time of subscribing*, on the stock subscribed for by the city council of New Orleans. But said corporation shall, within thirty days from the organization of the first board of directors of the Commercial Bank of New Orleans, execute in the form required by the directors, the bonds of the mayor, aldermen and inhabitants of New Orleans, to the order of the president and directors of said company for the full amount of stock subscribed by the corporation aforesaid, say five hundred thousand dollars, bearing an interest of five per centum per annum, payable in forty years, the interest on said bonds to be paid semi-annually; and should the bonds

taken by said company, from the corporation aforesaid, be sold at a premium, such premium or excess, over and above their par value, shall form a part of the sinking fund, as provided for in the twenty-third section of this act.

SEC. 42. *Be it further enacted, etc.*, That when, after the expiration of thirty-five years, the said corporation of New Orleans shall be inclined to buy the said water works from the Commercial Bank of New Orleans, the price shall be fixed by arbitrators, five of whom shall be chosen by the president and directors of the Commercial Bank of New Orleans, and five by the city council of New Orleans; said arbitrators not to be stockholders in said company, nor members of the city council of New Orleans. Said arbitrators shall take into consideration the *value* of the water works and grounds appertaining thereto, for supplying the city and faubourgs of New Orleans with water by the said company; and if they agree, and so report, in *writing*, their award shall be binding on the respective parties. But in case of disagreement, the judge of the judicial district court in which the said water works are situated, shall appoint as umpires, five disinterested individuals as above, whose decision and award *in writing*, reported to the judicial district court aforesaid, shall be binding and conclusive. And the amount so agreed upon shall be payable in the bonds of the mayor and aldermem and inhabitants of New Orleans, bearing an interest of five per centum per annum, interest payable thereon semi-annually, and redeemable in not less than ten, nor more than thirty years from the day on which said award shall be signed, and the said water works delivered over to the said corporation of New Orleans.

SEC. 43. *Be it further enacted, etc.*, That in case the mayor, aldermen and inhabitants of New Orleans shall deem it unadvisable or inexpedient to purchase the said water works from the Commercial Bank of New Orleans, as provided for in sections four and forty-two, and so notify the Commercial Bank of New Orleans thereof, at any time within eighteen months

thereafter, the bonds given by the mayor, aldermen and inhabitants of New Orleans, for the amount of stock owned by the corporation of New Orleans, shall be renewed by the Commercial Bank of New Orleans for twenty-five years, on the same terms and conditions as provided for in sections twenty-one and forty-one of this act; *provided, however*, the amount formed by the sinking fund herein provided shall be applied to the payment of said bonds, as far as it will go, and the bonds only renewed for such balance as may not be made up by the sinking fund aforesaid.

SEC. 44. *Be it further enacted, etc.*, That the corporation of New Orleans shall and may continue to make use of the water works now owned by the said corporation for supplying the city with water, until the Commercial Bank of New Orleans shall be so far advanced with the works contemplated by this act as will enable them to furnish water in such parts of the city as are now supplied by the works at present in operation, or until, by the progress of the water works so to be constructed, it may become necessary to remove the pipes at present in use, should such removal be found necessary.

SEC. 45. *Be it further enacted, etc.*, That the said company, in constructing the water works aforesaid, shall purchase from the mayor, aldermen and inhabitants of New Orleans the pipes already laid down by said corporation, at such price as may be agreed upon by seven arbitrators, of whom the superintendent of the works proposed to be constructed shall be one, and three to be chosen by the president and directors of the Commercial Bank of New Orleans and three by the city council of New Orleans, whose award as to the *value* of said pipes, for the use of said company, shall be final.

SEC. 46. *Be it further enacted, etc.*, That it shall be the duty of the said bank to sell to the best advantage the bonds received of the mayor, aldermen and inhabitants of the city of New Orleans for their subscriptions and to contract for the payment